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UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

Lead Case No. 12-12020-mg Adv. Proc. No. 13-01208-mg

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In the Matters of:

RESIDENTIAL CAPITAL, LLC, et al.,

Debtors.

- - - - -x

NORA

Plaintiff,

- against -

RESIDENTIAL CAPITAL, LLC, et al.,

Defendants.

- - - - -x

United States Bankruptcy Court

One Bowling Green

New York, New York

November 15, 2013

10:04 AM

B E F O R E:

HON. MARTIN GLENN

U.S. BANKRUPTCY JUDGE

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Doc# 5501 Motion to Approve / Debtors' Motion for an Order
Pursuant to Bankruptcy Code Section 105(a) and Bankruptcy Rule
9019 Approving Settlement Agreement Between Debtor GMAC
Mortgage, LLC and GVC Mortgage, Inc. (related document(s)5499)

Doc# 5499 Motion to File Under Seal / Debtors' Motion, Pursuant
to Bankruptcy Code Section 107(b) and Bankruptcy Rule 9018, to
File Under Seal Redacted Portions of (I) The Motion for an
Order Pursuant to Bankruptcy Code Section 105(a) and Bankruptcy
Rule 9019 Approving Settlement Agreement Between Debtor GMAC
Mortgage, LLC and GVC Mortgage, Inc. and (II) The Settlement
Agreement

Doc# 4744 Adj. Hrg. RE: Debtors' Motion Under Section 365 of
the Bankruptcy Code to Assume and Assign Servicing Related
Agreements with Impac Funding Corporation and Impac Mortgage
Holdings, Inc..

Doc# 5639, 5395 Amended Motion to Consolidate for Trial
Hearing, Briefing, Discovery and All Proceedings with Debtors'
Objection to Proofs of Claims #1 and #440 filed by Wendy Alison
Nora on behalf of Wendy Alison Nora.

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Doc# 5330, 5502 Hrg. Re: Order to Show Cause, signed on
10/10/2013, Why Pro Hac Vice Admission of Wendy Alison Nora
Should not be Revoked. (related document(s)204, 482).

Doc# 5343, 5352 Motion to Reconsider FRCP 60 or FRBP 3008 to be
consolidated with already scheduled Order to Show Cause entered
on October 10, 2013 as Doc. 5330

Doc# 5641, 5347 Amended Motion to Disqualify to include
citation to Local Rule 2090-1 filed by Wendy Alison Nora on
behalf of Wendy Alison Nora. (related document(s)5347)

Doc# 5392 Motion to Consolidate for Trial Hearing, Briefing,
Discovery and All Proceedings on Debtors Objection to Nora
Proofs of Claims and with Nora v. Residential Funding Company,
LLC, et al. Adv. No. 13-1208 under FRCP 42(a) in the interests
of just, speedy and inexpensive resolution of proceedings as
required by FRCP 1 (related document(s)5153)

(CC: Doc no. 4632) Adj. Hrg. RE: Motion for Objection to
Claim(s) Number: 2781 / Debtors' Objection to Proof of Claim #
2781 of Syncora Guarantee Inc. filed by Gary S. Lee on behalf
of Residential Capital, LLC.

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(CC: Doc no. 4520) Adj. Hrg. RE: Second Interim Application of
Hudson Cook, LLP as Special Counsel to The Debtors for
Compensation and Reimbursement of Expenses Incurred for the
Period January 1, 2013 through April 30, 2013 for Hudson Cook
LLP, Special Counsel.

ADJOURNED TO A DATE TO BE DETERMINED.

(CC: Doc# 5115, 5358, 5359) Motion for Objection to Claim(s)
Number: 2781, 7164 and 7170 ; Debtors Objection to Second
Amended Proof of Claim Amending Proof of Claim of Syncora
Guarantee Inc.

(CC: Doc# 5100) Motion for Objection to Claim(s) Number: 4443.

Doc# 5026 Notice of Objection to Claims / Notice of Debtors'
Combined Objection to Proofs of Claim Filed By Sidney T. Lewis
and Yvonne D. Lewis

(CC: Doc# 5153) Motion for Objection to Claim(s) / Debtors'
Combined Objection to Proofs of Claim Nos. 1 and 440.

Doc# 5236 Motion to Approve /Motion for Rehearing on Claim
Objection To The Reclassification of Claim From Secured to
Unsecured

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(CC: Doc# 4734) Motion for Omnibus Objection to Claim(s) /
Twenty-Sixth Omnibus Objection to Claims (Borrower Claims with
Insufficient Documentation)
Hrg on this matter, solely as it relates to Karen Mitchell-
Smith for the Estate of Felecia V. Mitchell, has been adjourned
to December 11, 2013. Hrg on this matter, solely as to Mary
Lynn Weber and the Estate of Felecia Mitchell, will go forward.

(CC: Doc# 4887) Motion for Omnibus Objection to Claim(s) /
Debtors' Thirtieth Omnibus Objection to Claims (No Liability
Borrower Claims - Books and Records).
The hearing on this matter, solely as it relates to James C.
and Judith A. Winkler and M. Francine Modderno, will be going
forward. The hearing on this matter as it relates to Gwendell
L. Philpot has been adjourned to December 17, 2013.

(CC: Doc# 5108) Motion for Omnibus Objection to Claim(s) /
Debtors Thirty-Fourth Omnibus Objection to Claims (No
Liability-Employee Claims).

(CC: Doc# 5137) Motion for Omnibus Objection to Claim(s) /
Debtors Thirty-Fifth Omnibus Objection to Claims (No Liability
- Assigned Contract Claims)

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(CC: Doc# 5138) Motion for Omnibus Objection to Claim(s) /
Debtors Thirty-Sixth Omnibus Objection to Claims (Misclassified
and Wrong Debtor Borrower Claims)
Hrg on this matter, solely as to Rhonda Deese, has been
adjourned to December 17, 2013. Hrg on this matter, solely as
to Lydia Alvarez, has been resolved pending final
documentation.
Hrg as it relates to all other claimants will be going forward.

(CC: Doc# 5139) Motion for Omnibus Objection to Claim(s) /
Debtors' Thirty-Seventh Omnibus Objection to Claims
(Misclassified and Wrong Debtor Borrower Claims).

(CC: Doc# 5140) Motion for Omnibus Objection to Claim(s) /
Debtors' Thirty-Eighth Omnibus Objection to Claims (Wrong
Debtor Borrower Claims)
This matter, solely as it relates to John and Gloria Brooks,
has been resolved. The hearing on this matter as it relates to
all other claimants will be going forward.

(CC: Doc# 5141) Motion for Omnibus Objection to Claim(s) /
Debtors' Thirty-Ninth Omnibus Objection to Claims (Wrong Debtor
Borrower Claims).

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(CC: Doc no. 5142) Hrg. RE: Debtors' Fortieth Omnibus Objection to Claims (No Liability - Non-Debtor and Amended and Superseded Claims)

(CC: Doc no. 5144) Hrg. RE: Debtors' Forty-First Omnibus Objection to Claims (Duplicate and Amended and Superseded Borrower Claims).

(CC: Doc# 5150) Motion for Omnibus Objection to Claim(s) / Debtors Forty-Second Omnibus Objection to Claims (Reduce and Allow Borrower Claims).

The hearing on this matter as it relates to Jennifer and Jason Schermerhorn has been adjourned to December 17, 2013. The hearing on this matter as it relates to all other claimants will be going forward.

(CC: Doc# 5151) Motion for Omnibus Objection to Claim(s) / Debtors' Forty-Third Omnibus Objection to Claims (Insufficient Documentation).

The hearing on this matter, solely as it relates CitiMortgage, has been adjourned to December 11, 2013. A notice of adjournment will be filed. The hearing on this matter as it relates to all other claimants will be going forward.

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(CC: Doc# 5152) Motion for Omnibus Objection to Claim(s) / Debtors Forty-Fourth Omnibus Objection to Claims ((A) Late-Filed Claims; (B) Duplicate Claims; (C) Redesignate and Allow Claims; (D) Reduce and Allow Claims; (E) Redesignate, Reduce and Allow Claims; (F) Reclassify, Reduce and Allow Claims; and (G) Redesignate Claims).

Reset for 12/11/2013 at 10:00 am as to the claim of ISGN Solutions, Inc. (Claim No. 5688), the claim of Elevenhome Limited (Claim No. 6841) and the claim of Redwood Recovery Services, LLC (Claim No. 6842). Hrg. RE: other claimants will be going forward.

(CC: Doc# 5157) Motion for Omnibus Objection to Claim(s) / Debtors Forty-Fifth Omnibus Objection to Claims (No Liability - Property Tax Claims).

(CC: Doc# 5158) Motion for Omnibus Objection to Claim(s) / Debtors Forty-Sixth Omnibus Objection to Claims (Insufficient Documentation/Servicing/Duplicative Claims).

(CC: Doc# 5159) Motion for Omnibus Objection to Claim(s) / Debtors' Forty-Seventh Omnibus Objection to Claims (No Liability Claims - Books and Records).

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(CC: Doc# 5160) Motion for Omnibus Objection to Claim(s) / Debtors' Forty-Eighth Omnibus Objection to Claims (Borrower Insufficient Documentation and No Liability Books and Records Claims)

Doc# 5161 Motion for Omnibus Objection to Claim(s) / Debtors' Forty-Ninth Omnibus Objection to Claims (No Liability Borrower Claims - Books and Records)

Hrg. as to Randall D. Branson, Virginia Mattson, Ramona M. Roberts, Bonnie Bonita Rose, Roger J. and Karen Evans, Deborah L. Wetzel, William J. Futrell, Irene Schmidt and James & Anne M. Ladd is adj. to 12/11/2013. Hrg Going Fwd re other claimants.

(CC: Doc# 5162) Motion for Omnibus Objection to Claim(s) / Debtors' Fiftieth Omnibus Objection to Claims (No Liability Borrower Claims - Books and Records).

Hrg as it relates to Stewart Title Guaranty Company, Allison L. Randle, Guerrino Degli, Esposti, Gerald Gandrup and Philip G. Wright adjourned to 12/11/2013. Hrg re: Neville and Maribeth Evans adjourned to 1/9/2014. Hrg. going fwd re: other claimants.

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Adversary proceeding: 13-01208-mg Nora v. Residential Capital,
LLC a Delaware limited liability company
Doc# 33 Motion to Consolidate for Trial Hearing, Briefing,
Discovery and All Proceedings with Debtors Objection to Proofs
of Claims and

Doc# 34 Motion to Disqualify Judge Martin Glenn under 28 USC
secs. 144, 455(a) and 455(b)(1) for extreme, actual prejudice
and threat to violate bodily safety and security of the
Plaintiff in her capacity as counsel for 3 interested parties
holding claims in the "Borrower" Classification prior to the
status conference in this case and thereby creating an
atmosphere of coercion by which Judge Glenn was able to proceed
to enter a Scheduling Order-circumstances do not permit a
finding of waiver of disqualification at or prior to the
Scheduling Conference. Scheduling Order is voluntarily
ratified; Judge Glenn's disqualification was not waived.

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1 P R O C E E D I N G S

2 THE COURT: Please be seated. We're here in
3 Residential Capital, number 12-12020. Mr. Rosenbaum?

4 MR. ROSENBAUM: Good morning, Your Honor. Norm
5 Rosenbaum, Morrison & Foerster, for the debtors. Your Honor,
6 we have a fairly lengthy agenda, but there's been a number of
7 resolved as well as adjourned matters. A request has been made
8 that we actually deal with two matters first, those would be
9 relating to Syncora and Impact (sic).

10 THE COURT: Go ahead.

11 MR. ROSENBAUM: And that comes up on page 24 of the
12 agenda.

13 THE COURT: Okay.

14 MR. ROSENBAUM: Your Honor, I'll cede the podium to my
15 colleague Alex Barrage.

16 MS. BARRAGE: Good morning, Your Honor. Alexandra
17 Barrage of Morrison & Foerster --

18 THE COURT: Good morning.

19 MS. BARRAGE: -- on behalf of the debtors.

20 Your Honor, if we could please take the Syncora matter
21 first and then the Impac matter.

22 Your Honor, we're here on docket numbers 4718, the
23 debtors' motion to assume and assign the Syncora-related
24 agreements and the debtors' objection to Syncora's proofs of
25 claim as amended at docket numbers 4632 and 5115.

1 Your Honor, I'm happy to report that the parties have
2 agreed to a global resolution of these disputes. We filed a
3 stipulation and a proposed form of order relating to our motion
4 earlier this morning at docket number 5771. There are a few
5 minor tweaks -- nonsubstantive tweaks -- that we need to make
6 to that order, which we hope to submit shortly after today's
7 hearing for Your Honor's consideration.

8 And we'd like to just walk through a couple of the
9 main points of that stipulation to memorialize them on the
10 record. Your Honor, just procedurally, the way that it works
11 is, we will be submitting a proposed form of order relating to
12 the motion. As an exhibit to that motion, there will be two
13 documents. The first exhibit will be the actual stipulation
14 which is the global stipulation of all issues that has been
15 approved by all parties, including Ocwen, Syncora, and the
16 debtors. And the second attachment will be an exhibit listing
17 the Syncora-related agreements that are the subject of our
18 motion to assume and assign.

19 Your Honor, I have a copy of the stipulation, if I may
20 approach?

21 THE COURT: Sure, please. Thank you.

22 MS. BARRAGE: Your Honor, the key aspects of the
23 stipulation are found at paragraphs 4 through 6. The debtors
24 and Syncora have agreed to set the cure amount on the Syncora-
25 related agreements at four-and-a-half million dollars. The

1 debtors will pay that cure amount to Syncora by wire within
2 three business days following the earlier of the transfer of
3 the assigned agreements to Ocwen or February 1st, 2014. The
4 parties have also committed --

5 THE COURT: Hang on just one second.

6 If you're on the phone, you need to put your phone on
7 mute, please.

8 Go ahead.

9 MS. BARRAGE: Thank you, Your Honor. The parties have
10 committed to meet and confer shortly after entry of the order
11 to discuss the logistics of the transition and the transfer.
12 And in addition, the other main feature of the stipulation is
13 that the debtors have agreed to provide unsecured claims at
14 GMAC at 7,840,000 dollars, and at RFC for 7,113,000 dollars,
15 which resolves the claim objection issue.

16 Your Honor, with that, I don't have anything further.
17 I'm not sure if Syncora has any words or the committee. But we
18 thank Your Honor for your time. And we are obviously pleased
19 with the result.

20 THE COURT: Thank you.

21 MS. BARRAGE: Thank you.

22 THE COURT: Anybody else wish to be heard? Mr.
23 Mannal?

24 MR. MANNAL: Just briefly, Your Honor. Doug Mannal on
25 behalf of the creditors' committee.

1 Just citing paragraph 2 of the proposed stipulation,
2 Syncora's objections to the plan are withdrawn, and Syncora is
3 now deemed to have accepted the plan pursuant to this
4 stipulation, Your Honor.

5 THE COURT: All right. Does anybody else wish to be
6 heard?

7 MR. RAINER: Good morning, Your Honor. Randall
8 Rainer; Wollmuth Maher & Deutsch, for Syncora. I have nothing
9 to add, Your Honor; that Ms. Barrage did an accurate
10 representation of what is contained in the stipulation and the
11 order.

12 THE COURT: All right. What I would appreciate, Ms.
13 Barrage, if -- because you said there are a few tweaks that you
14 have to make -- submit a clean and a black-line with any
15 further changes, and I'll look at it. I anticipate I'll go
16 ahead and enter it after I get it. If I have any questions,
17 I'll let counsel know. But as of now, I would anticipate
18 approving it. I just want to see the final changes. Okay?

19 MS. BARRAGE: Will do, Your Honor. Thank you very
20 much.

21 THE COURT: Thank you very much. I appreciate
22 everybody's effort to get this resolved.

23 MS. BARRAGE: Thank you, Your Honor. Again, Alexandra
24 Barrage of Morrison & Foerster, on behalf of the debtors. The
25 next item is docket number 4744, which is the debtors' motion

1 under Section 365 of the Bankruptcy Code to assume and assign
2 various servicing-related agreements with Impac Funding
3 Corporation and Impac Mortgage Holdings.

4 Your Honor, since the filing of our motion, we've been
5 able to significantly narrow the issues. Today there's only
6 one issue of disagreement. And as confirmed at yesterday's
7 status conference by Mr. Graham, this issue relates to the
8 proposed cure amount which is an issue we believe can be
9 addressed fairly easily, and I will address that in a moment.

10 Your Honor, the debtors have met their burden under
11 Section 365(b)(1) by demonstrating that proven defaults under
12 the Impac servicing-related agreements, will be promptly cured
13 upon transfer of the agreements to Ocwen. Subject to the
14 establishment of an acceptable reserve to satisfy the disputed
15 cure amount, the debtors waive their ability to reject the
16 Impac agreements in question.

17 In addition, as noted in the declaration of Ms. Farley
18 submitted with our motion, the debtors have agreed to pay
19 approximately 288,000 dollars in undisputed cure amount upon
20 the transfer of the agreements to Ocwen. The debtors were
21 previously prepared to cap the disputed cure claim exposure at
22 approximately 2.5 million, which was Impac's earlier estimate.
23 Today, in light of the supplemental declaration that was filed
24 by Impac last night at docket number 5763, which frankly, Your
25 Honor, neither the debtors nor the committee have had a chance

1 to fully diligence -- but we will -- the debtors are prepared
2 to cap and reserve the disputed claim amount at Impac's revised
3 estimate of \$3,091,483.85.

4 THE COURT: Say that number again.

5 MS. BARRAGE: \$3,091,483.85.

6 Your Honor, we think agreeing to a reserve at a capped
7 amount is the most practical and reasonable way of resolving
8 this dispute. I can tell you personally, I've been involved in
9 many cure disputes in this case. I think that this is the only
10 one that's really been ever presented before Your Honor. So we
11 certainly hope, without -- we would like to resolve this issue
12 without any further intervention, and we'd like to expedite the
13 transfer of these agreements to Ocwen.

14 So in parallel, what we propose is agreeing to a cap
15 and working with Impac and the committee to reconcile the cure
16 issue, and to the extent necessary, agreeing on a joint
17 discovery schedule, as we have with other counterparties in
18 this case, to get the facts.

19 We think that this approach is not only consistent
20 with our prior practice but in accordance with this Court's
21 earlier entered sale procedures order. Thank you, Your Honor.
22 I have nothing further.

23 THE COURT: All right. Let me hear from Impac's
24 counsel.

25 MR. KAUFMAN: Good morning, Your Honor. Alan Kaufman

1 of McKenna Long & Aldridge, on behalf of Impac.

2 Most of the terms that I've been discussing with Ms.
3 Barrage, I think there's really no issue with. The real issue
4 seems to be with their attempt to foist a cap onto Impac,
5 because doing so would not provide a full and complete cure.

6 THE COURT: Hang on a second.

7 All right. Somebody on the phone is either rustling
8 papers against the phone. If you do not put your phone on
9 mute, you will be cut off. I'm going to direct the CourtCall
10 operator, that if I continue to have interference on the phone,
11 you're going to be cut off without any further warning.

12 Go ahead, counsel.

13 MR. KAUFMAN: Fine. What I was saying, Your Honor,
14 was that their attempts to foist a cap onto Impac does not
15 provide a full and complete cure. We take issue, number one,
16 with a cap at all, because --

17 THE COURT: Well, you put in a -- I haven't seen it.
18 I'll tell you right now, I haven't seen what was filed last
19 night. Did you put in an affidavit and you specified what you
20 believe the cure amount is?

21 MR. KAUFMAN: No, Your Honor. We put in the amount of
22 damages that have accrued to date. Damages are continuing to
23 accrue. And there's also a dispute amongst the parties which
24 we're reserving on as to the entitlement to attorneys' fees.
25 So the amount -- the cure amount or the sheet we put in last

1 night merely reflects what the damages are as of yesterday.

2 So we -- and that amount is approximately 3.1 million.

3 All we're asking for, Your Honor, is a reserve, not a cap, of

4 3.95 --

5 THE COURT: Okay, let me stop you right there.

6 MR. KAUFMAN: Yes, Your Honor.

7 THE COURT: Okay? This was originally set for an
8 evidentiary hearing. Then I was told that no evidentiary
9 hearing was necessary. Now I'm being told that the amount
10 of -- the cure amount is disputed. That sounds like an
11 evidentiary dispute. Okay?

12 I'm obviously not resolving it now. You will either
13 agree on a stipulation as to how you're going to proceed, or
14 very quickly, there is going to be an evidentiary hearing with
15 a very tight discovery schedule, and you're all going to come
16 forward with evidence. What -- okay?

17 Because I feel, I set an evidentiary hearing, and then
18 I was told by both sets of counsel that this was a matter that
19 could be resolved as an issue of law and that no evidentiary
20 hearing was required. And now you're standing there telling me
21 that there are disputes about the amount.

22 MR. KAUFMAN: I apologize for the confusion, Your
23 Honor. There have been --

24 THE COURT: No confusion on my part.

25 MR. KAUFMAN: No, no, no. Confusion that we caused,

1 Your Honor. We have been working on a stip that we, up until a
2 couple days ago, we thought was going to get done. And
3 basically, what it would have provided for, is that everybody
4 kind of laid down their arms and agreed --

5 THE COURT: When are you going to be able to go
6 forward with an evidentiary hearing?

7 MR. KAUFMAN: I'll confer --

8 THE COURT: No, tell me right now. When are you
9 ready? And I'm going to ask Ms. Barrage when she's ready.

10 MR. KAUFMAN: Your Honor, we believe that we need
11 discovery from them --

12 THE COURT: Well, you don't need discovery. You'll
13 put witnesses on and we'll resolve it the old fashioned way.

14 Okay, this has been going on too long. Okay? You
15 represented to the Court that -- previously, that there were no
16 factual disputes. For that reason, I concluded we wouldn't go
17 forward with an evidentiary hearing. Okay? You don't need a
18 discovery. You have witnesses? You'll put your witnesses on
19 the stand. Are you ready to go next week?

20 MR. KAUFMAN: Well, Your Honor, we also need documents
21 that we haven't received --

22 THE COURT: Well, I -- you know, this has been going
23 on for too long. Ms. Barrage, when are you ready to go?

24 MS. BARRAGE: Your Honor, I will need to confer with
25 my client on that. But just to reiterate our position, we're

1 prepared to reserve the amount that Impac says it believes its
2 due on cure claims.

3 THE COURT: Sounds totally reasonable to me, but Impac
4 obviously doesn't want to go forward with what's obviously
5 quite reasonable.

6 You know, you put in a piece of paper last night. You
7 put in an amount. Now you're standing here today and telling
8 me well, that amount's going to increase. How much do you
9 believe you're entitled to?

10 MR. KAUFMAN: We asked them to reserve 3.95, because
11 we're not in agreement on attorneys' fees either, Your Honor,
12 and therefore we want --

13 THE COURT: I asked you a direct question.

14 MR. KAUFMAN: Three --

15 THE COURT: How much of a re -- how much of a reserve
16 do you believe your client requires in order to put this matter
17 off until you can get it resolved?

18 MR. KAUFMAN: 3.95 million dollars, Your Honor.

19 THE COURT: Ms. Barrage, what's your position?

20 MS. BARRAGE: Your Honor, we don't have an issue
21 reserving 3.95 million.

22 THE COURT: You don't have an issue with that?

23 MS. BARRAGE: No, Your Honor.

24 THE COURT: All right. Counsel, are you ready to
25 stipulate that this matter can be adjourned, that the debtor

1 will reserve 3.95 million dollars, and we'll get this scheduled
2 in due course if you can't resolve it?

3 MR. KAUFMAN: Yes, Your Honor. Along the terms and
4 everybody reserves all rights. Yes, Your Honor.

5 THE COURT: Ms. Barrage, is that satisfactory?

6 MS. BARRAGE: Yes, it is, Your Honor.

7 THE COURT: All right.

8 MS. BARRAGE: I don't know if the committee has any
9 comments, then.

10 THE COURT: Mr. Zide?

11 MR. ZIDE: Just to clarify, Your Honor. Stephen Zide,
12 from Kramer Levin, on behalf of the committee. That 3.95 would
13 be a cap? That would be okay with us, if it's a cap. I'm not
14 sure if that's the position that Impac's counsel is taking.

15 THE COURT: Well, let me find out. What does Impac's
16 coun -- are you agreeing to cap it at 3.95 million?

17 MR. KAUFMAN: If we cap it, Your Honor, and it exceeds
18 it, then we're not getting a full and complete cure. We're
19 just asking for a reserve of 3.95.

20 THE COURT: All right. Let's see. I'm going to set a
21 trial; no discovery; bring your witnesses.

22 MR. KAUFMAN: Your Honor, if --

23 THE COURT: No, you're being completely unreasonable.
24 You misrepresented to the Court that this was a pure legal
25 issue, and nothing else was required. Now you're telling me --

1 MR. KAUFMAN: Your Honor, if --

2 THE COURT: No, stop. Don't interrupt me.

3 (Pause)

4 THE COURT: You either work out a stipulation with the
5 debtors and the committee or this matter goes to trial on
6 Wednesday, December 11th at 2 p.m. No discovery. Let me know
7 by Wednesday, November 20th at 5 p.m., whether you've worked
8 out a stipulation as to which everyone's prepared to proceed
9 on.

10 Impac ought to know what the amount of its cure claim
11 is. You don't need any discovery for that. Everybody
12 understand? And if it's going forward, I will enter -- if we
13 have to go forward with that evidentiary hearing, I will enter
14 a procedures order with respect to how that matter will go
15 forward. But this is coming to an end.

16 MR. KAUFMAN: Thank you, Your Honor.

17 THE COURT: Next matter on the calendar.

18 MS. BARRAGE: Thank you, Your Honor.

19 MR. KAUFMAN: May be we be excused Your Honor?

20 THE COURT: You're excused.

21 MR. KAUFMAN: Thank you.

22 MR. ROSENBAUM: Your Honor, Norm Rosenbaum, Morrison &
23 Foerster, for the debtors. Your Honor, the first matter -- the
24 next matter on the calendar is at page 16, (V)(1). Your Honor,
25 this is the debtors' motion -- I'm sorry, Your Honor. I think

1 some of the parties would like to be excused.

2 THE COURT: Anybody that wants to be excused, is
3 excused.

4 MR. ROSENBAUM: Your Honor, this is the debtors'
5 motion for an order pursuant to Section 105 of the Bankruptcy
6 Code and Bankruptcy Rule 9019 to approve a settlement agreement
7 between GMAC Mortgage and GVC Mortgage. Your Honor, this
8 motion and agreement resolves a fairly longstanding dispute as
9 to a four-million-dollar purchase demand that GMAC had made to
10 GVC.

11 We've received no objections to the motion, Your
12 Honor. We did also file a motion to file limited portions of
13 the motion and the underlying agreement under seal.

14 THE COURT: That's the part that gives me pause.

15 MR. ROSENBAUM: I --

16 THE COURT: Okay?

17 MR. ROSENBAUM: -- assume so, Your Honor.

18 THE COURT: I've written on this before. I don't know
19 whether you've read my opinions on the subject of sealing. I
20 don't know whether you've conferred with Mr. Masumoto or anyone
21 else in the U.S. Trustee's Office. But I've rejected -- I've
22 previously -- not in this case -- I've rejected approval of
23 settlements filed under seal, where the argument in support of
24 sealing is precisely what you've made here, namely that you
25 don't want to disclose the settlement amount because you think

1 it will have an impact on settlement discussions in other
2 matters.

3 The issue is that under Section 107(b) of the
4 Bankruptcy Code, there's a very strong presumption of public
5 access to all bankruptcy court records. And I assume you've
6 read my decisions on it. And I didn't see anything in the
7 papers that would overcome my prior rulings in other cases
8 dealing with proposed settlements.

9 MR. ROSENBAUM: Your Honor, I'll be brief, and I'd
10 just like to address that point very quickly. These types of
11 settlements are more akin to ordinary course of business in
12 this industry. It's quite frequent for both the -- consider
13 GMAC the middle person for this example. GMAC purchases loans
14 from correspondents and then sells them either as whole loan
15 sales or into securitizations. They obtain representation and
16 warranties from their seller and they make represent -- reps
17 and warranties to their purchaser. And it's quite frequent and
18 pursuant to the documents, both the end purchaser, the
19 securitization or the whole-loan purchaser, has the right to
20 put back -- and we're very well aware of that in this case --
21 put back the loan to GMAC. GMAC, in turn, has its
22 representation and warranties from its correspondent. It has
23 the right to put back the loan or obtain indemnity from its
24 client.

25 It's really a normal course of operations --

1 THE COURT: If what you were engaged in was ordinary
2 course of business that did not require the bankruptcy court's
3 approval, that would be fine. But when you come to me with a
4 9019 and ask me to give approval to a settlement, I've made
5 clear before -- I've followed a decision of then District
6 Judge, now Circuit Judge Lynch. And when you invoke the power
7 of the court to approve a settlement under 9019, I don't
8 approve secret settlements. It's as simple as that.

9 MR. ROSENBAUM: Thank you, Your Honor.

10 THE COURT: Mr. Masumoto, do -- are you aware of this
11 issue?

12 MR. MASUMOTO: No, Your Honor. We didn't discuss
13 this.

14 THE COURT: Okay. So and I've made clear in prior
15 decisions that redaction may be appropriate in some cases. You
16 need to confer with the U.S. Trustee's Office. Because on the
17 issues of confidentiality of bankruptcy court records, the U.S.
18 Trustee has, in all cases that I've seen, had a very keen
19 interest in assuring public access to all information.

20 If it was ordinary course of business and didn't
21 require approval of the bankruptcy court, fine. You wouldn't
22 be coming to me. But you've come to me with a 9019. And what
23 you haven't done is shown any extraordinary circumstances that
24 would lead me to depart from the position I've taken in a
25 written opinion in another case. And essentially, I followed

1 the position that Judge Lynch had taken in refusing to approve
2 a settlement when he was a district court judge, a bankruptcy
3 settlement.

4 And this has come up several times. And the last time
5 this has come up before me -- not in this case, again -- I
6 didn't write an opinion. I told the parties exactly what I've
7 just told you. And they went back and reworked the settlement
8 until they got to the point they were satisfied. They
9 recognized if they wanted my approval of a settlement it was --
10 the terms had to be disclosed on the record.

11 MR. ROSENBAUM: Thank you, Your Honor. We would,
12 then, ask to adjourn the motion to the next omnibus date.
13 We'll need to speak to our counterparty. That was --

14 THE COURT: Okay, and speak -- look, confer with the
15 U.S. Trustee's Office. It's conceivable, Mr. Rosenbaum, that
16 there are circumstances that would persuade me to depart from
17 the usual rule that I follow. Because I have historically
18 found that that the U.S. Trustee is the party-in-interest most
19 concerned about assuring public access to all bankruptcy court
20 information, confer with them.

21 If you've worked out a resolution of the
22 confidentiality issue that's satisfactory to the U.S. Trustee,
23 I'm open to considering it again. But not without that.

24 MR. ROSENBAUM: I will do so, Your Honor. Thank you.

25 THE COURT: Okay. So this is adjourned.

1 MR. ROSENBAUM: Your Honor, the next matter on the
2 calendar, now that we've dealt with Impac, is on page 25, Your
3 Honor. It's the -- this would be the second interim
4 application of Hudson Cook --

5 THE COURT: Yes.

6 MR. ROSENBAUM: -- which I believe is on for today.

7 THE COURT: Yes.

8 MR. ROSENBAUM: I believe representatives from Hudson
9 Cook are in the courtroom.

10 THE COURT: Okay.

11 MR. ROSENBAUM: Or on the phone.

12 THE COURT: Is somebody from Hudson Cook in the
13 courtroom?

14 MS. DELESSIO: Yes, Your Honor.

15 THE COURT: Okay.

16 MS. DELESSIO: Good morning, Your Honor. Lisa
17 DeLessio from Hudson Cook.

18 THE COURT: Good morning.

19 MS. DELESSIO: Your Honor, we're here this morning on
20 Hudson Cook's second interim fee petition and responding to
21 three objections that the Trustee's Office made. Two of those
22 objections have been resolved. The first objection deals with
23 transitory timekeepers. And Hudson Cook and the Trustee have
24 agreed that the Trustee will withdraw its objections to 2,305
25 dollars in fees.

1 The other matter that's been resolved is Hudson Cook
2 has agreed to withdraw its request for \$2,866.50 for responding
3 to the Trustee's prior objection.

4 So the remaining issue, Your Honor, is the Trustee's
5 objection to Hudson Cook's approximately 99,000-dollars'-worth
6 of attorneys' fees for --

7 THE COURT: Lump time entries?

8 MS. DELESSIO: Yes, Your Honor. Your Honor, and our
9 request here is that upon the filing of the Trustee's
10 objections, Hudson Cook, in an attempt to resolve the matter,
11 contacted the Trustee. The Trustee requested that we resubmit
12 the time entries and in an unlumped fashion, which we did, and
13 we submitted a copy to the Clerk's Office.

14 After that, we were advised by the Trustee's Office,
15 that a ten-percent penalty would be imposed because we had
16 improperly lumped on the first time. And I think, Your Honor,
17 our preliminary matter is, we hadn't, one, been on notice of
18 this. Hudson Cook --

19 THE COURT: Oh, come on. Give me a break. It's been
20 the law in this district, certainly as long as I've been on the
21 bench, which is about seven years, that you can't lump time
22 entries. If you'd been present at any prior court hearings in
23 this case when fee applications come up, you know that the U.S.
24 Trustee regularly raises issues about lumped time entries and I
25 regularly raise those issues as well. So don't tell me you

1 weren't aware of it. If you weren't, your head was buried in
2 the sand.

3 Go ahead.

4 MS. DELESSIO: Your Honor, In this case, then, we
5 would be requesting that the Trustee waive the penalty of ten
6 percent, because the Trustee has indicated that there would be
7 a ten percent penalty even though we had submitted a revised
8 schedule of fees with the time in an unlumped fashion.

9 THE COURT: I wouldn't describe it as a penalty. But
10 my practice has generally been in dealing with lumped time
11 entries, to make a percentage reduction, depending on how
12 serious the problem is. Here, 99,000 dollars from a total of
13 873,000 is a very substantial percentage of the application
14 that reflected lumped time entries.

15 MS. DELESSIO: Right, so, Your Honor, well, there were
16 99,000 dollars'-worth of lump time entries, and subsequent to
17 that, the Trustee had indicated that we -- a potential
18 resolution would be a ten percent penalty, and we had asked
19 for --

20 THE COURT: You use the term penalty. I wouldn't -- I
21 would say a reduction in --

22 MS. DELESSIO: A reduction --

23 THE COURT: -- the fees that would be requested or
24 awarded.

25 MS. DELESSIO: Yes, Your Honor. So it would be a ten

1 percent off of the 99,000 dollars as a deterrent of a future
2 violation. And, Your Honor, we had submitted a prior fee
3 petition and this issue wasn't raised. And unfortunately, we
4 didn't address this unlumping in the second fee petition. We
5 have only one more fee petition. We were independent counsel
6 to the foreclosure review as directed by the Federal Reserve
7 Board. And that matter has resolved. And in our next
8 petition, we would not do that.

9 So I'm just requesting that any penalty of that --

10 THE COURT: It's not a penalty. It's not a penalty.

11 Let me hear from Mr. Masumoto.

12 MR. MASUMOTO: Good morning, Your Honor. Brian
13 Masumoto for the Office of the United States Trustee. Your
14 Honor, I believe counsel has stated the positions of the
15 parties, and our position is that as we have routinely, I
16 think, throughout this case, indicated that where there has
17 been an objection by the U.S. Trustee for vague and/or lumped
18 time entries, even if the time entries are corrected, we do
19 request a reduction of ten percent.

20 We believe that that reduction serves as a deterrent
21 for future noncompliance. If no deterrent is present, there's
22 nothing to prevent any timekeeper or any professional from
23 submitting their entries without any corrections, without
24 compliance with the guidelines, and if caught, merely have to
25 do the work that they should have done originally.

1 So we believe that the ten percent reduction in cases
2 where there are vague or lumped time entries is appropriate. I
3 believe we also follow a practice that's fairly routinely
4 imposed by fee examiners that are appointed in these bankruptcy
5 cases. Accordingly, we do request that notwithstanding the
6 corrected time entries, that a reduction of ten percent be
7 imposed.

8 I would also like to point out, although our office
9 prefers and in fact requests that when the revised time entries
10 are submitted they be essentially black-lined so that the U.S.
11 Trustee, in reviewing the revisions, can easily identify the
12 changes, in this case, from what I've seen, no such effort was
13 made in that regard, which makes it doubly hard to confirm the
14 corrected time entries.

15 THE COURT: All right. I have a few more questions,
16 counsel. Why don't you come on back up to the --

17 So, I would only add that my chambers, we review fee
18 applications very carefully, and we spend a lot of time doing
19 it. And so when we see fee applications that include lumped
20 time entries, it is not only the U.S. Trustee but it is also me
21 and my law clerks and interns who've devoted a lot of time
22 reviewing applications that are inadequate.

23 I think the major problem that arises with the lumped
24 time entries -- and this is my question to you is -- how did
25 you go back and reconstruct and break down the lumped entries?

1 The problem that I've always recognized is, it's so hard to go
2 back and deconstruct work done over a lengthy period of time.
3 And so when we see the delumped entries, do I have confidence
4 that that reflects reality or was it simply an effort to take a
5 number, break it down, divide it up, without an assurance that
6 accurately reflects what was really done. So what did you do
7 here to break down the lumped entries?

8 MS. DELESSIO: Right. Your Honor, what we did was, we
9 made our reasonable best effort to go back. Our time entries,
10 as I stated, were all related to work done on the independent
11 foreclosure review, so they were somewhat all tangentially
12 related to the same types of things or the same type of work
13 that was done.

14 Where there were specific calls or meetings, we would
15 go back to our calendars, go back to our e-mails, and to
16 attempt our best efforts to reasonably reconstruct all of the
17 time that was done. What we did not do was go back and line-
18 by-line break things out. We just went back and put matters in
19 parentheses.

20 And I believe my partner, Dana Clarke, is on the
21 phone, and he had initially raised this issue with the
22 Trustee's Office, and that was a practice, like you noted, that
23 we would go back and make our reasonable best efforts, based on
24 our --

25 THE COURT: Let me ask you a couple other questions.

1 MS. DELESSIO: Sure.

2 THE COURT: The expense report -- the expenses that
3 I've seen were lumped. Travel expenses per individual were
4 submitted as expense with no further breakdown. Did you
5 provide the U.S. Trustee's Office with a detailed breakdown of
6 expenses?

7 MR. CLARKE: This is Dana Clarke from Hudson Cook. We
8 did that.

9 THE COURT: You -- let me make sure what it is that
10 you did. You gave the U.S. Trustee the detailed breakdown of
11 travel expenses. Is that correct?

12 MR. CLARKE: Yes, we provided the receipts and
13 invoices.

14 THE COURT: All right, Mr. Masumoto, can you address
15 that?

16 Let me just say, I think Hudson Cook's role in the
17 case has come to an end, and so this won't continue to be an
18 issue, but the Court always insists on seeing the detail. I
19 don't take lumped expenses either. We review them to determine
20 that they're all appropriate.

21 Mr. Masumoto, can you confirm that you were given the
22 details of the expenses?

23 MR. MASUMOTO: I'm afraid, Your Honor, that because of
24 the large fee applications, they were divided among --

25 THE COURT: Okay.

1 MR. MASUMOTO: -- the different attorneys.

2 THE COURT: All right.

3 MR. MASUMOTO: I personally don't recall getting --

4 I'm not sure if there were any -- I'm sorry, let me back up.

5 In our objection, we did not raise issues regarding
6 the expenses.

7 THE COURT: Right.

8 MR. MASUMOTO: So, I'm not sure if --

9 THE COURT: Okay.

10 MR. MASUMOTO: -- the itemized document production was
11 made subsequent to our objections or whether or not the
12 references to the itemization that was provided in the original
13 fee application.

14 THE COURT: All right.

15 MR. MASUMOTO: But I did not personally see any
16 subsequent documentation after we filed our objection.

17 THE COURT: So, counsel, on the phone, I apologize;
18 tell your name again.

19 MR. CLARKE: Okay. Mr. Clarke, tell me what it is you
20 provided to the U.S. Trustee's Office with respect to expenses.
21 Because the expense total that you're seeking is a little over
22 15,000 dollars. So it's not an insignificant sum. What is --
23 and the only thing I saw was lumped expense entries without a
24 detailed breakdown and invoices.

25 What is it that you provided to the U.S. Trustee and

1 when?

2 MR. CLARKE: Prior to the objection we submitted the
3 actual invoices, so receipts from meals, receipts from air
4 travel, receipts from hotels. That's why they didn't raise it
5 in this application, because we went through line-by-line and
6 addressed the expense issues that they had on our first interim
7 fee application and literally went through and identified where
8 they didn't meet the requirements. And then we didn't seek
9 those amounts.

10 THE COURT: Okay. All right. Here's going to be the
11 Court's disposition of the Hudson Cook fee application. With
12 respect to the fees, counsel has indicated a number of the
13 issues as to which an agreement on reduction was made. With
14 respect to this issue of lumped time entries, which totaled
15 \$99,011.50, the Court is going to impose a reduction of \$9,000
16 because of the lumped time entries.

17 Again, the task of reconstructing and breaking down
18 lumped time entries is a difficult and imprecise effort in most
19 cases. That's why it has to be done right the first time.
20 It's not a penalty the Court's imposing. As I always do -- I
21 should tell you that my usual reductions range from ten to
22 twenty percent. So I'm imposing a reduction of slightly less
23 than ten percent of the amount.

24 But before actually signing an order approving these
25 fees, Mr. Masumoto, you can confer with counsel, I want to be

1 satisfied that your office, in fact, received the detail backup
2 for the expenses. If that was so, then counsel can go ahead
3 and submit an order for approval. Any time any counsel submits
4 expense reports, I expect to see the detail. We do review it.
5 We look to see whether -- make sure the flights were coach. We
6 look to make sure the meals were all allowable. They need to
7 identify who the people were who were having the meal, if it
8 was more than one person.

9 Our new general order is quite clear on we no longer
10 simply refer to the U.S. Trustee Guidelines. We've included it
11 in our general order as to meal expense caps, et cetera. So
12 assuming that you confer with the U.S. Trustee and they're
13 satisfied with respect to the expenses, you can go ahead and
14 submit an order with the fees and expenses as revised.

15 MR. MASUMOTO: We'll do so, Your Honor.

16 THE COURT: Thank you, Mr. Masumoto. Thank you,
17 counsel.

18 MS. DELESSIO: Thank you, Your Honor.

19 THE COURT: Thank you.

20 MR. ROSENBAUM: Your Honor, the next -- Norm
21 Rosenbaum, Morrison & Foerster. Your Honor, the next matter on
22 the agenda is at page 27. We're moving into the claims
23 objection portion of the hearing. That's number 3. This is
24 the debtors' objection to the proof of claim filed by Sidney T.
25 Lewis and Yvonne Lewis. And I'm going to cede the podium to my

1 colleague, Adam Lewis.

2 MR. LEWIS: Good morning, Your Honor. Adam Lewis of
3 Morrison & Foerster, for the debtors. The first objection I'm
4 dealing with this morning is the objection to the proof of
5 claim by Sidney and Yvonne Lewis.

6 We filed the objection and got no response. I don't
7 know if the Lewises are here or on the phone.

8 THE COURT: Is anybody on behalf of the Lewises on the
9 phone or in the courtroom?

10 Go ahead.

11 MR. LEWIS: Thank you, Your Honor. The Lewises, the
12 Court will recall, filed an adversary proceeding in this case.
13 Prior to the bankruptcy, we foreclosed on two pieces of
14 property that they were related to, one they owned and one Mr.
15 Lewis was an executor for. Both were confirmed -- both the
16 foreclosure and the sheriff's sale confirmation orders are both
17 final, pre-petition.

18 The Lewises filed an adversary proceeding before this
19 Court which, to put it gently, was unintelligible, and this
20 Court ultimately granted our motion to dismiss and denied the
21 Lewises the opportunity to amend, basically on the ground that
22 given the unintelligible nature of the complaint, as well as
23 the Lewises' litigious history, there would be no point in an
24 amendment. It didn't seem likely that they would be able to
25 come up with anything that made any sense.

1 THE COURT: My recollection is that the Lewises were
2 previously determined by other courts to have filed frivolous
3 proceedings in other courts. I believe that Mr. Lewis and his
4 wife have had several bankruptcies in the Southern District of
5 Ohio, if I'm remembering correctly.

6 MR. LEWIS: That's correct, Your Honor. It's in the
7 record in our pleadings here.

8 THE COURT: Yes. And --

9 MR. LEWIS: And this Court has recently done the same
10 thing, essentially, for the Lewises.

11 THE COURT: Right. Right.

12 MR. LEWIS: Instructed them not to file anything
13 further without --

14 THE COURT: Correct.

15 MR. LEWIS: -- this Court's permission. And I don't
16 know if that's why they didn't file a response, because that
17 order came out before their response was due.

18 THE COURT: The debtors' objection to the claim filed
19 by Sidney T. Lewis and Yvonne D. Lewis, is sustained.

20 MR. LEWIS: Thank you, Your Honor. Your Honor, I have
21 the next matter as well, which is the objection to the claim by
22 Corla Jackson. Again, we filed this, gave timely notice,
23 didn't get a response, and again, I don't know whether Ms.
24 Jackson is here or on the phone.

25 THE COURT: All right. Is anyone -- Ms. Jackson or

1 anyone appearing for or on behalf of Ms. Jackson? Come on up.

2 (Pause)

3 THE COURT: Just identify yourself for the record, if
4 you would?

5 MS. JACKSON: Corla Jackson.

6 THE COURT: Thank you very much, Ms. Jackson. Let's
7 see if we can -- somebody, if you can -- there's a seat
8 available. I'll call on you to speak as well. Okay? Why
9 don't you have a seat?

10 Go ahead.

11 MR. LEWIS: Thank you, Your Honor. The objection to
12 Ms. Jackson's claim is essentially binary. The first objection
13 is that it's barred by the doctrine of judicial estoppel. And
14 the second objections are objections to the pleadings
15 themselves as being incomprehensible and not meeting the
16 appropriate federal standards of putting the defendants the
17 notice of what they were supposed to have done and why that
18 gives rise to some sort of claim.

19 As the Court will recall from the proofs of claim, the
20 material attached to the proof of claim is massive, sort of
21 unrelated. There's no explanation of how this mass of material
22 gives rise to any claims against the debtors. And so on those
23 grounds, alone, we believe that the claim should be disallowed.

24 Whether the Court wants to give Ms. Jackson leave to
25 amend, is of course, another matter. Although given what's

1 happened before in the district court, it doesn't seem like
2 we're going to see anything any more intelligible than we have
3 seen in the proof of claim.

4 The judicial estoppel argument is based upon the fact
5 that Ms. Jackson, who in her third bankruptcy -- Chapter 13
6 bankruptcy -- filed in 2011, in her schedules, did not state or
7 list any claims against the debtors or the other party here,
8 which was Option 1. She amended the claim and amended her
9 plan -- amended her schedules and amended her plan, and still
10 didn't set forth claims against the debtors or Option 1.

11 The claims that she asserts now apparently -- because
12 she doesn't exactly relate this -- but there was a lawsuit she
13 brought after filing her bankruptcy, based upon events that
14 occurred before her bankruptcy that looks a lot like the proofs
15 of claim here. So there may also be other kinds of defenses.
16 But she did not disclose those claims, even though they relate
17 to pre-petition -- pre-Chapter 13 petition events, and even
18 though she had counsel in the bankruptcy case and clearly knew
19 about the facts that she asserted shortly after filing the
20 bankruptcy case.

21 And so we think she was fully aware. She did -- and
22 as evidence of her ability to schedule contingent and
23 unliquidated claims, she did schedule such a claim against
24 State Farm in her original schedules in this third Chapter 13.
25 So she knows what to do. She had the advice of counsel. And

1 we think that the evidence discloses that she knew she had the
2 claims, that she --

3 THE COURT: What's the status of the Chapter 13 case?

4 MR. LEWIS: The 13 has been closed, Your Honor. It
5 was closed, I think, this year.

6 THE COURT: Without a plan confirmed?

7 MR. LEWIS: There was a plan confirmed.

8 THE COURT: And was it concluded?

9 MR. LEWIS: I don't think it was. I don't think it's
10 been -- I don't think it's been performed. There's a docket
11 sheet for the 13 in the exhibits. It indicates the case was
12 closed. And there's an entry that she's barred for ninety
13 days, which suggests to me that she didn't complete her plan.

14 THE COURT: Well, a plan takes three to five years to
15 complete, so --

16 MR. LEWIS: Yeah.

17 THE COURT: -- when was the third bankruptcy filed?

18 MR. LEWIS: It was filed in early 2011, I think it
19 was. She had filed two Chapter 13s before and attempted to
20 deal with our mortgages -- our mortgage in both cases, and
21 failed in both cases. The second case was dismissed because
22 she didn't even begin making her pre-confirmation payments.

23 So we think the evidence is that she knew of the
24 claims, she knew how to schedule the claims. She is not in a
25 situation where she's going to be able to pay her creditors in

1 full. And so there's evidence, at least inferential evidence
2 that she concealed these claims in order to hold onto the
3 proceeds of them, rather than sharing them with her creditors.

4 This is a classic case of judicial estoppel, I think,
5 Your Honor, and that's the main objection to go with our
6 objections on the pleadings.

7 THE COURT: All right, let me hear from Ms. Jackson.

8 MR. LEWIS: Thank you, Your Honor.

9 THE COURT: Come on up.

10 MS. JACKSON: Hi, Judge Glenn. How are you?

11 THE COURT: Nice to see you again, Ms. Jackson.

12 MS. JACKSON: Nice to see you. First of all,
13 everything he said is invalid. I'm sorry to say that. My
14 bankruptcy was discharged by Judge Mahoney, not dismissed,
15 because when GMAC Mortgage fabricated a note in my name, Option
16 1 Mortgage was closed and had changed its name, and they had
17 forced me into bankruptcy in 2005.

18 THE COURT: May I ask you this? So you no longer have
19 a Chapter 13 case pending. Is that right?

20 MS. JACKSON: They have all been honorable --

21 THE COURT: No, I'm just trying to understand --

22 MS. JACKSON: -- discharged.

23 THE COURT: Okay. Well, you say "discharged". Was it
24 dismissed?

25 MS. JACKSON: No, sir. I brought the evidence.

1 THE COURT: All right. Why don't you bring it up, let
2 me see it.

3 MS. JACKSON: Okay.

4 THE COURT: Don't give me everything right now. Just
5 give me that one piece of paper.

6 MS. JACKSON: Here's the first discharge. Here is
7 they committed fraud. That was the discharge. This right here
8 was a discharge. You know, I've got the letter. That's the
9 discharge. That's two discharges. And oh, I found out where
10 they fabricated my note from.

11 THE COURT: Well, right now, I just want to find out
12 what happened to your most recent Chapter 13 case.

13 MS. JACKSON: Okay. Oh, and the judge said they
14 didn't have no contract with me. That was dismissed too very
15 fast. There's the second one, and there's all of the
16 discharges. Okay, that is the barred one, because they moved
17 the case. This is confirmed. That's the discharge from what
18 he's talking about. And here is the other discharge --

19 THE COURT: Okay. Why don't you bring that up and let
20 me look at it.

21 MS. JACKSON: Here's a letter --

22 THE COURT: Don't give me too much. I just want to
23 see what happened to your Chapter 13 case, okay? I'll give
24 them right back to you, okay?

25 (Pause)

1 THE COURT: Okay.

2 MS. JACKSON: And then this was the latest case in
3 Alabama, where they say they didn't have a contract.

4 THE COURT: Okay. Okay. Just a second.

5 MS. JACKSON: It's the first --

6 THE COURT: Just -- just stop, okay?

7 (Pause)

8 THE COURT: Okay, you can go back to -- thank you very
9 much.

10 MS. JACKSON: You're welcome.

11 THE COURT: So, Ms. Jackson, you showed me some
12 papers, but none of them indicate to me what happened to your
13 most recent bankruptcy case. You got a discharge -- you had a
14 case in 2005, and you successfully completed a Chapter 13 plan,
15 and that case was closed with a discharge. But as I understand
16 it, you had bankruptcy proceedings after that. And what I
17 don't --

18 Maybe counsel for -- either special borrowers'
19 counsel -- let me ask, Mr. Nosek, can you enlighten me about
20 this matter? Or one of you or your colleagues?

21 MR. NOSEK: Robert Nosek, special borrower counsel for
22 the committee. In looking through the attachments to the
23 objection, we find that there is a dock -- it looks like a full
24 docket for the 2011 case. And attached behind that is also a
25 Schedule B. And the docket -- I was just flipping through it

1 right now to make sure that I didn't see an amendment to the
2 schedules. Assuming that I don't find one, the schedules
3 clearly do not reflect any claims against the debtors.

4 THE COURT: Is the case still open?

5 MR. NOSEK: No, the case was closed.

6 THE COURT: Closed on what basis?

7 MR. NOSEK: It was on 9/27/2012, it's an order and
8 notice dismissing case barring the debtor. And it looks like
9 for three months, approximately. Now, I don't have a copy of
10 the order in front of me so I don't know what the order exactly
11 says.

12 THE COURT: Barring her from filing another case?

13 MR. NOSEK: I don't have --

14 THE COURT: You don't know?

15 MR. NOSEK: -- the order in front of me, Your Honor,
16 unfortunately. We could probably pull the docket up on the
17 laptop. It looks like she did get an order confirming the case
18 four or five months --

19 THE COURT: Confirming a plan.

20 MR. NOSEK: -- before, but there was a pending motion
21 to dismiss probably by the trustee. But according to the
22 docket of the case, the case -- she did not receive a discharge
23 and her -- the case basically was dismissed within five months
24 of confirming the plan.

25 It's a very lengthy docket. So it looks like there

1 was a lot of pre-activity for several years. Does that help
2 Your Honor?

3 MR. LEWIS: Your Honor, the docket entry -- and if the
4 Court has the objection in front of you, it's Exhibit F is the
5 docket sheet. The docket entry on 9/27/12, the plan --

6 THE COURT: Hang on.

7 MR. LEWIS: -- was confirmed on 3/23 --

8 THE COURT: Just stop, stop, stop, stop.

9 (Pause)

10 MR. LEWIS: Your Honor, I'd be happy to share my
11 copy --

12 THE COURT: No, just stop. No, I'll find it.

13 MR. LEWIS: Okay.

14 THE COURT: There's just a little bit of paper up
15 here.

16 MR. LEWIS: All right.

17 THE COURT: All right, which tab?

18 MR. LEWIS: F, Your Honor. This is an exhibit to the
19 Delehey declaration.

20 THE COURT: Yes. Right.

21 MR. LEWIS: And if you go over to --

22 THE COURT: It's a long document.

23 MR. LEWIS: It is. If you go over to -- if you look
24 at the very top of the pages, there's a 17 of 18.

25 THE COURT: Okay. I'm there.

1 MR. LEWIS: Okay. And if you look at 3/23/12, that's
2 the confirmation order.

3 THE COURT: Yes.

4 MR. LEWIS: And then if you look at 9/27/12, you see
5 "Order and notice dismissing case, barred Debtor Jackson,
6 starting 9/27/12 to 12/25/12," signed on 9/27/12 related to
7 document --

8 THE COURT: Do I have that --

9 MR. LEWIS: -- order on motion to dismiss case.

10 THE COURT: Do I have that actual order?

11 MR. LEWIS: No, you don't, Your Honor.

12 THE COURT: What counsel is referring to is docket
13 entry number 116 in case number 11-01545 in the Bankruptcy
14 Court for the Southern District of Alabama. And docket entry
15 116 is described in the docket sheet as "Order and notice
16 dismissing case, bar Debtor Jackson, Corla Reeve, starting
17 9/27/2012 to 12/25/2012." The related document is docket
18 number 64.

19 MR. LEWIS: Your Honor, counsel for the borrower
20 committee has a copy of the order on one of these little
21 devices, if the Court would like to see that.

22 THE COURT: How long is the order?

23 MR. LEWIS: Very short.

24 THE COURT: Read it to me. Read it to me. Just read
25 it to me.

1 MR. LEWIS: Oh, read it to you. I'm sorry, Your
2 Honor.

3 THE COURT: It'll be in the record.

4 MR. LEWIS: Yes. So it says "Order dismissing Chapter
5 13 case. This matter is before the Court upon the debtor's
6 failure to comply with the consent order," I don't know what
7 that is. "The Court finds the case should be dismissed. It is
8 ordered that the bankruptcy case is dismissed. All creditors
9 are notified of the dismissal by service upon them by a copy of
10 this order. If any filing fees or costs remain, the Court
11 retains jurisdiction to collect them. The debtor is enjoined
12 from filing another bankruptcy case under the provisions of the
13 Bankruptcy Code in this court for a period of ninety days from
14 the date of this order."

15 THE COURT: All right. The consent order -- the
16 docket entry 116, which is the order of notice dismissing the
17 case, refers to docket entry 64. That's the consent order.
18 Number 64 is, "Consent order conditionally denying motion to
19 dismiss case." And it refers to docket entry 51, "Motion to
20 dismiss case for feasibility", filed by the Chapter 13 trustee.

21 MR. LEWIS: There are entries at the end of the
22 docket, final decree, debtor's estate has been fully
23 administered. This is docket number 120 --

24 THE COURT: That's just discharging the Chapter 13
25 trustee from further action in the case.

1 MR. LEWIS: Right.

2 THE COURT: The case was dismissed.

3 MR. LEWIS: In any event, Your Honor, with all due
4 respect, I'm not sure that it much matters. That's not central
5 to the judicial estoppel or pleading issues.

6 THE COURT: It is to me.

7 MR. LEWIS: Okay.

8 THE COURT: I want to find out why the case was
9 dismissed. So I'm going to take the matter under submission,
10 in any event. But what I want to see are hard copies of the
11 motion to dismiss that was filed by the Chapter 13 trustee, the
12 conditional order that was entered on the motion to dismiss,
13 and then the hard copy of the order that actually dismisses it.
14 So I'd like to find out why it was dismissed.

15 I understand your argument that it wasn't -- that what
16 is asserted would have been a pre-petition claim was not
17 scheduled. So I understand your argument there. But I want to
18 actually see what the disposition of the case -- okay?

19 Ms. Jackson, is there anything else you want to tell
20 me? Come on up.

21 MS. JACKSON: Yes, sir.

22 THE COURT: Please go ahead.

23 MS. JACKSON: Your Honor, I ain't no lawyer, I ain't
24 no judge, but when you filed a --

25 THE COURT: Well, you've been around courts a lot,

1 including here.

2 MS. JACKSON: Yeah. When you file a foreclosure in
3 jurisdiction according to the law, you can't use jurisdiction
4 again. And furthermore, that jurisdiction they talking about,
5 they went over to the courthouse, took my money off of that
6 case that I had filed inside jurisdiction, in that package
7 right here, and moved it over to Judge DuBose district court
8 and went and filed bankruptcy. And that's where we're at. The
9 case is stayed in the United States District Court for the
10 Southern Division (sic) of Alabama, in front of Judge DuBose.

11 THE COURT: Well, what I'm dealing with here is you
12 filed a claim in this case and I'm dealing with the debtors'
13 objection -- and what I'm dealing with here is the debtors'
14 objection to your proof of claim. That's properly before me.

15 The debtor has filed papers that I have to consider.
16 I do have some questions. I want to make sure I understand. I
17 want to see, not just the docket sheet of your most recent
18 bankruptcy case, but I want to see the motion to dismiss, the
19 consent order that was ordered on it, and the ultimate
20 dismissal that was entered. I want to actually see it --

21 MS. JACKSON: Okay.

22 THE COURT: -- so I can follow that.

23 MS. JACKSON: And --

24 THE COURT: But is there anything -- I only have a
25 brief amount of time. Is there anything else you want to tell

1 me, Ms. Jackson?

2 MS. JACKSON: Yes, a brief thing. The reason why I've
3 been after these people was because my house was paid off in
4 full. You hear me? They fabricated a loan in my name, not
5 once, but twice, for 240,000 dollars each. My mortgage with
6 Option 1 Mortgage, was on my house and three acres, and Option
7 1 Mortgage had subdivided my five acres of land and they gave
8 me the paperwork -- I went to the lawyer's office and pulled
9 the paperwork, and that's when I found out where they got the
10 paperwork and do they know that. The loan numbers didn't match
11 either.

12 They fabricated two loans in my name, and flipped it.
13 And they didn't own my note. My house was paid off in full
14 with a zero balance. It's on my credit report, everything.
15 They took and stole my whole five acres of land and put two
16 loans on my property. I don't even know who these people are.

17 THE COURT: Okay. I'm going to -- I want to see the
18 additional papers, and then I'm going to take the matter under
19 submission and we'll decide. Thank you very much, Ms. Jackson.

20 MS. JACKSON: You're welcome.

21 THE COURT: Nice to see you again.

22 MS. JACKSON: Nice to see you, Your Honor.

23 MR. LEWIS: Your Honor, we will have those documents
24 to you later today.

25 THE COURT: Okay. Mr. Nosek, is there anything you

1 wanted to add on this?

2 MR. NOSEK: Oh, I was just going to add, this is
3 actually the first time we've met with Ms. Jackson and --

4 THE COURT: She's been here before.

5 MR. NOSEK: Well, we haven't spoken before --

6 THE COURT: Okay.

7 MR. NOSEK: -- in our capacity. And we have -- Brian
8 Powers is from our office is actually here, and he can meet
9 with her out in the hallway --

10 THE COURT: That would be helpful. Okay?

11 MR. NOSEK: We will do that, Your Honor.

12 THE COURT: So, Ms. Jackson, the creditors' committee
13 has special borrowers' counsel. And I would ask that if you
14 would meet with -- so it's not the debtors, it's the creditors'
15 committee. I'd ask if you would, in the hall, when the
16 hearing's over, if you would meet with them and you can talk to
17 him and -- you can talk to him or not, okay? You've never been
18 shy about saying what's on your mind, so I -- okay? Thank you
19 very much, Ms. Jackson.

20 Thank you, Mr. Nosek. Okay, go ahead, Mr. Rosenbaum.

21 MR. ROSENBAUM: Your Honor, the next matter on the
22 agenda is matter -- it's number 5 on page 27.

23 THE COURT: Yes.

24 MR. ROSENBAUM: It's the motion of Anthony
25 [Dav-id-ee] -- excuse me if I'm pronouncing that wrong -- for

1 rehearing on a claim objection. I believe, Mr. Davide --
2 again, excuse me if I'm getting the name wrong -- made an
3 oral -- is appearing telephonically.

4 THE COURT: Mr. Davide, are you on the phone? Mr.
5 Davide, are you on the phone?

6 MR. DAVIDE: Yes, Your Honor, I am. Can you hear me?

7 THE COURT: Yes, I can. Go ahead and make your
8 argument, if you would.

9 MR. DAVIDE: Oh, thank you, Your Honor. First of all,
10 thank you very much for granting me the rehearing. The
11 original September 11th hearing I didn't realize just how long
12 it was going to be, and I had to get back to work, so I
13 couldn't complete it.

14 Your Honor, I have a residential mortgage with GMAC
15 Mortgage here in Florida. Approximately two years ago or so,
16 we had an evidentiary hearing during our foreclosure
17 proceedings in front of Judge Luis Garcia, who the -- in the
18 Monroe County area.

19 At that hearing, there was a dispute over monies that
20 had been deposited with GMAC and exactly where those monies
21 were to be allocated and/or refunded. As part of that hearing
22 it was agreed and the judge ordered that the monies were to be
23 segregated by GMAC; and in the event that the dispute which was
24 over a loan modification terms, were not resolved, that those
25 monies would be returned to me. That loan modification never

1 came to fruition, and those monies were never returned to me.

2 I filed a claim under -- a secured claim, because
3 those monies, based on the instructions of the judge and how
4 counsel and the actual representative from GMAC proffered it to
5 the court, would be segregated and protected. And now, they're
6 moving my claim, or trying to move my claim out of the secured
7 claim to an unsecured claim, and I don't necessarily believe,
8 unless my funds were absconded or, you know, just thrown into
9 the general till, you know, my monies should be somewhere and
10 hopefully I can get them back.

11 THE COURT: Tell me how much money was it?

12 MR. DAVIDE: It was approximately 15,000 dollars, Your
13 Honor.

14 THE COURT: Okay. Anything else you want to tell me,
15 now?

16 MR. DAVIDE: That's all, Your Honor.

17 THE COURT: Okay, thank you.

18 Mr. Rosenbaum?

19 MR. ROSENBAUM: Your Honor, the motion on -- Mr.
20 Davide's motion was to reconsider Your Honor's prior order
21 expunging the claim. I don't believe Mr. Davide's met the
22 standards for reconsideration, as we set forth in our papers.

23 THE COURT: Well, let's deal -- I want to hear your
24 argument on the merits. I mean, I -- you know --

25 MR. ROSENBAUM: I appreciate that, Your Honor.

1 THE COURT: Just let me just finish my statement. The
2 claim was expunged because Mr. Davide didn't appear on the
3 telephone when the matter was called. I had obviously reviewed
4 the papers at the time. But he didn't have an opportunity to
5 speak. It's -- I'm not deciding yet whether to reconsider the
6 actual order expunging the claim. I've heard his argument now,
7 and I'd like to understand. So without waiving your argument
8 that the Court shouldn't -- that grounds for reconsideration
9 haven't been established, I'd like to hear the specific
10 response on the merits of the arguments about whether the claim
11 should be expunged. Okay?

12 MR. ROSENBAUM: Certainly, Your Honor.

13 Your Honor, we looked at both -- the company looked at
14 both the original claim, the response that Mr. Davide provided,
15 their own books and records. Mr. Davide didn't provide any
16 specifics as to which court it was in or which litigation in
17 terms of case numbers.

18 THE COURT: Well, I've now heard a name of the judge.

19 MR. ROSENBAUM: We did hear a name of judge. There
20 are many cases, apparently, pending that Mr. Davide has either
21 commenced or is a defendant in Monroe County.

22 THE COURT: Okay.

23 MR. ROSENBAUM: Based on the review of our records, we
24 weren't able to find anything that aligned to what Mr.
25 Davide --

1 THE COURT: Okay.

2 MR. ROSENBAUM: -- was alleging. If Mr. Davide would
3 provide more details, I'd be happy to look into it further.
4 But based on our view of the records, we do not find any
5 basis --

6 THE COURT: Okay.

7 MR. ROSENBAUM: -- for a secured claim, Your Honor.

8 THE COURT: All right. So let me ask special
9 borrowers' counsel whether you've had any communications with
10 Mr. Davide and specifically whether you've at all been able to
11 identify the Florida State Court matter that Mr. Davide's
12 referred to, whether there was any order that was entered or a
13 transcript available that indicates the judge had indicated
14 that the funds should be segregated and held and returned to
15 Mr. Davide if there was no loan modification. So I don't know
16 any of the basis for any of that, but let me ask whether
17 there's been such communication.

18 Mr. Nosek?

19 MR. NOSEK: Your Honor, we have not had any --

20 THE COURT: Okay.

21 MR. NOSEK: -- communication with Mr. Davide.

22 THE COURT: All right.

23 MR. NOSEK: Obviously, if this goes forward, we would
24 certainly be able to reach out to him should he give us --

25 THE COURT: All right.

1 MR. NOSEK: -- full contact information.

2 THE COURT: So Mr. Davide, what you may have heard me
3 say earlier, the unsecured creditors' committee in the case, at
4 an earlier point in the case, special counsel for borrowers'
5 issues was retained for the creditors' committee -- not to
6 represent borrowers individually, but to assist with
7 consideration of borrowers' claims in the case. And in many
8 instances, they've been quite helpful. It doesn't necessarily
9 lead to relief for a borrower in connection with a claim, but
10 it's usually been helpful in trying to help the Court better
11 understand the claim, particularly where someone is not
12 represented by counsel.

13 So what I would direct -- it's not just -- I'm not
14 just asking you, I'm directing -- that you speak with -- who
15 should -- Mr. Nosek, who should he call?

16 MR. NOSEK: First contact should be probably with
17 Brian Powers --

18 THE COURT: Okay.

19 MR. NOSEK: -- of our office.

20 THE COURT: Brian Powers, and the firm is
21 SilvermanAcampora.

22 Do you have Mr. Powers' phone number?

23 MR. NOSEK: I don't have his dir --

24 THE COURT: What's your general number?

25 MR. NOSEK: General number is 516-479-6300.

1 THE COURT: Now, were you able to get that down, Mr.
2 Davide?

3 MR. DAVIDE: 516-479-6300?

4 MR. NOSEK: That is correct.

5 THE COURT: Okay. So Brian Powers, who's an attorney
6 at SilvermanAcampora, he is one of the lawyers at
7 SilvermanAcampora who is working as special borrowers'
8 counsel -- special counsel to the creditors' committee for
9 borrowers' issues, and you need to speak with Mr. Powers within
10 the next week and we're going to reschedule this matter for a
11 hearing at another omnibus hearing. I want -- perhaps Mr.
12 Powers can communicate with debtors' counsel and Mr. Davide
13 about finding a date reasonably soon at an omnibus hearing.
14 Mr. Davide can participate by telephone again. But Mr. Davide,
15 I need to -- do you have a copy -- was there a written order or
16 is there a transcript of the hearing of the Florida State Court
17 proceeding where you indicated the judge directed GMAC to
18 segregate your funds pending the termination on a loan
19 modification?

20 MR. DAVIDE: Not that I'm aware of, Your Honor.

21 THE COURT: Okay.

22 MR. DAVIDE: But I never asked or inquired.

23 THE COURT: All right. Well, what you need -- at a
24 minimum, what you need to be able to give to Mr. Powers is the
25 case name, case number and court in which it is or was pending,

1 and the date or the approximate date -- the precise date, if
2 possible, but the approximate date when you indicate that the
3 Court directed that the funds be segregated. Okay? Do you
4 have that information, Mr. Davide? I don't want it now, but do
5 you have that information available?

6 MR. DAVIDE: Yes. I can get that information, Your
7 Honor.

8 THE COURT: Okay. So when -- you ought to make sure
9 you have that together. You'll speak with Brian Powers.
10 You'll provide him with that information and any other -- and
11 have a conversation with him, any other information that you
12 can. That'll be helpful to the Court in considering the
13 matter. Okay?

14 MR. DAVIDE: Consider it done, Your Honor.

15 THE COURT: Thank you very much, Mr. Davide. All
16 right.

17 MR. DAVIDE: Thank you very much. I appreciate it.

18 THE COURT: So I'm not resolving the issue about
19 reconsideration. I do want more information about the
20 borrowers' claim. Okay? Thank you.

21 MR. DAVIDE: Thank you.

22 THE COURT: And you're excused from the phone if you
23 wish, Mr. Davide. Okay.

24 Go ahead, Mr. Rosenbaum.

25 MR. ROSENBAUM: Thank you, Your Honor. With that, I'm

1 going to cede the podium to my colleague. Jordan Wishnew is
2 going to handle the balance of the --

3 THE COURT: Okay.

4 MR. ROSENBAUM: -- agenda which is claim objections.

5 THE COURT: Okay.

6 MR. WISHNEW: Morning, Your Honor. Jordan Wishnew of
7 Morrison & Foerster for the debtors.

8 Your Honor, this con -- to pick up where Mr. Rosenbaum
9 left off, the -- page 28, item 6, the first omnibus objection
10 in this matter has been resolved and there is no -- this will
11 not need to go forward.

12 The tenth omnibus objection, item 7 on page 29, this
13 has been adjourned to December 17th with regards to the open
14 claimants.

15 Item 8 on page 30, the eleventh omnibus objection, the
16 matter has been resolved.

17 Item 9 on page 30, the thirteenth; that too, with
18 respect to the claims that were open, those have been resolved;
19 no hearing is necessary.

20 Twenty-first omnibus objection, page 31, item 10,
21 there is one open matter. That matter is being adjourned till
22 December 11th. The debtors are hoping to resolve that
23 consensually before then.

24 That then brings us, Your Honor, to item 11 on page
25 32, the twenty-sixth omnibus objection, borrower claims with

1 insufficient documentation.

2 Originally, there were two matters scheduled to go
3 forward today; that of the estate of Felecia Mitchell and Mary
4 Lynn Weber. Ms. -- or Karen Mitchell-Smith, who I believe is
5 representing the estate of Felecia Mitchell, had requested an
6 adjournment and the debtors have given that. That matter will
7 go forward on December 11th.

8 With regards to Mary Lynn Weber -- so Mary Lynn
9 Weber's claim is claim number 3474. The debtors filed a reply
10 earlier in the week addressing Ms. Weber's response.
11 Essentially, what it amounts to is a proof of claim for 99,000
12 dollars against GMAC Mortgage, the stated basis of which is
13 mortgage note, debtor improperly applied payments. It appears
14 to be Ms. Weber's contention that the debtors should not have
15 been the ones to collect payments; that they should have gone
16 to the owner of a loan, which in this case is in a
17 securitization trust. The debtors' position is that as part of
18 their ordinary business practices, they typically service loans
19 for securitization trusts and the trustees and are the ones to
20 collect those payments and then make the appropriate
21 distributions to taxing authorities, insurance companies and
22 the actual owners of the loan.

23 So it's our position that the claim is not valid.
24 Debtors acted properly and consistent with business practices
25 and the claim should be disallowed.

1 THE COURT: All right. Ms. Weber, are you present in
2 the court or on the telephone?

3 CourtCall, is Ms. Weber present on the phone?

4 I'm sorry; if you spoke, I wasn't able to hear you. I
5 see you're showing in as signed-in on the phone.

6 MS. WEBER: Yes, I'm here.

7 THE COURT: All right. Go ahead.

8 MS. WEBER: Mary Lynn Weber.

9 THE COURT: Go ahead. You want to make your argument?

10 MS. WEBER: Yes, please.

11 Good morning. Thank you for seeing me here
12 telephonically today.

13 First, I just wanted to note that -- I just wanted to
14 note my objection to the debtors' untimely response to some
15 comments the -- response comments which in Exhibit 1 -- they
16 called me on Tuesday morning to see if I'd like to adjourn this
17 matter. When I suggested I'd like to go forward with it, they
18 then filed a brief the next day which was just delivered to me
19 last night at 5 p.m. at my home, so I did just get to take a
20 look at that last night after work.

21 My -- the reason I would like my claim to be allowed
22 is I feel both that GMAC Residential Funding held themselves
23 out as a creditor by way of showing up with an endorsed note at
24 my mediation. I had an audit done by a securitization analyst
25 which I have in Exhibit 3 and its brief that shows a completely

1 different creditor and chain of title. So that was the reason
2 why I was feeling my claim should be allowed.

3 If they -- if the debtor claims that the GMAC's books
4 and records show two sales and loan as they sent to me
5 yesterday in the mail in the exhibit, I would like to see
6 documentation, if I may, of GMAC and Residential Funding's
7 books and records with the dates and amounts of the sale of the
8 loan, as they allege, to Ohio Savings Bank to GMAC Bank, and
9 the date and amount from the second sale from GMAC Bank to
10 Residential Funding and if I made purchase agreements or
11 contracts, if any, if they have proof -- which they have not
12 provided to me thus far. And I do not know why, if they have
13 it today, they have not provided it. And I would like the
14 right to cross-examine any witness they have, competent witness
15 with personal knowledge, Your Honor.

16 The debtor claimed -- my foreclosure also was stopped
17 in this exhibit they sent me because my notice of default was
18 no longer valid. And an updated notice of default was filed on
19 September 27th of 2012.

20 The truth as I know it, Your Honor, was the mediator
21 cancelled the foreclosure because GMAC and Residential Funding
22 failed to bring required documentation and they had two
23 opportunities to do so -- there was two mediations -- and
24 therefore failed to comply with the Nevada law as I alleged in
25 the brief.

1 The proof is available from the mediator's statement,
2 and GMAC also should have a copy of this statement proving what
3 I had just said. No new notice of default also has ever been
4 recorded or delivered to me at my home thus far, and I also
5 went online, the Clark County's recorders website, and I did
6 not find any other notice of default filed on September 27th,
7 2012. The debtors have not provided this new updated notice of
8 default as evidence or exhibit, so at this point, I would just
9 like to say I think that's hearsay.

10 And in closing, my evidence, I feel, is supported by
11 an expert witness with lots -- many years' experience. The
12 securitization loan, as far as my audit shows, did happen. The
13 creditor was never GMAC; they were never supposed to be holding
14 onto my money and acting as the creditor. As far as I know,
15 they were the servicer. If they had a possession of my note, I
16 feel it was illegally acquired.

17 So -- and also lastly, the counsel for the debtor
18 submitted to me, in this exhibit I received yesterday at 5
19 p.m., false information on the notice of default as I've just
20 proven with my mediation statement that I have with me which
21 unfortunately I would have sent to you had I known they would
22 request that, and the reason the mediator cancelled the
23 foreclosure was also fictitious information that was sent.

24 So it seems to me, Your Honor, that as they say, false
25 in one, false in all should apply here. Some of this

1 information was definitely misconstrued and sent to me
2 incorrectly from the debtor and that's why I would like to --
3 the Court to approve my claim today, Your Honor.

4 THE COURT: Mr. Nosek, has the special borrowers'
5 counsel spoken to Ms. Weber or looked into this at all?

6 MR. NOSEK: We have spoken to her, but not on a
7 substantive level.

8 THE COURT: Okay. Mr. Wishnew, you want to respond?

9 MR. WISHNEW: Your Honor, I would simply say that GMAC
10 Mortgage has serviced the loan up until the point that
11 servicing was transferred to 21st Century Mortgage, which was
12 October 1st, 2013. As servicer, and pursuant to the servicing
13 agreements with the owners of the loans, we properly pursue our
14 right to foreclose on the loan when it went into default and as
15 service --

16 THE COURT: An accident. Go ahead. I just hit the
17 microphone.

18 MR. WISHNEW: -- as servicer, it was typically our
19 business practice, as I mentioned, to collect the regular
20 monthly mortgage payments and make distributions. In order to
21 collect those payments, we don't have to be -- we don't have to
22 prove that we own the note. We are operating on behalf of and
23 for the benefit of the owner or the investor who ultimately
24 receives the proceeds or the monthly mortgage payments that we
25 then distribute pursuant to our regular business practices. So

1 it's our contention that we acted appropriately and that the
2 claimant does not have any validity.

3 THE COURT: All right. I'm going to take the matter
4 under submission.

5 MR. WISHNEW: Thank you, Your Honor.

6 THE COURT: Thank you, Ms. Weber.

7 MS. WEBER: Thank you, Your Honor.

8 MR. WISHNEW: Your Honor, that brings us to the
9 thirtieth omnibus objection, item 12 on page 33. There are two
10 open matters going forward today. That deals with the claims
11 of James and Judith Winkler and Francine Moddermo.

12 Without repeating everything in our reply, Your Honor,
13 with regards to the Winklers, it's our contention that this
14 matter -- the claim is moot at this point. The primary
15 contention and proof of claim was that they deserved a loan
16 modification, and as laid out in the reply in Ms. Horst's
17 supplemental declaration -- just for the record, Ms. Horst is
18 in court today if the Court has any questions -- ultimately,
19 the Winklers got their permanent loan modification early --
20 just a few months ago. So we think at this point, any claim
21 they have has really been satisfied. And we tried to engage
22 with them to consider if they withdraw their claim. I had
23 spoken briefly with their counsel. I was hoping to get on a
24 call with both of their counsel and the Winklers. That never
25 came to fruition this week, but it's basically our contention

1 that their claim has no validity. The debtors undertook
2 extraordinary efforts to work with them, to get them into a
3 loan modification, which ultimately succeeded. And for that
4 reason, we think the claim should be disallowed.

5 THE COURT: All right. Is anybody on the phone for
6 the Winklers? Mr. Nosek?

7 MR. NOSEK: The only other thing I would say -- Robert
8 Nosek for the committee -- that we would add is that the
9 Winklers are represented by counsel or we were advised that
10 they were so we did not reach out to them based on that. We
11 generally do not, if somebody is represented by counsel,
12 involve, unless asked.

13 THE COURT: All right. Tell me about Modderno.

14 MR. WISHNEW: Modderno, Your Honor. Francine Modderno
15 -- this is a claim that really is, in our opinion, barred by
16 the doctrine of res judicata. It's about wrongful foreclosure
17 and when we had the right to the note. And as we lay out --
18 this is a matter where she had commenced litigation in 2011 in
19 response to a foreclosure, asserted wrongful foreclosure, fraud
20 and a myriad of other counts; I think twenty-two in all.

21 The matter was addressed in state -- I'm sorry;
22 federal court. There was a dismiss granted. This is down in
23 Virginia. The dismissal was a complete motion to dismiss for
24 failure to state a claim. Under Virginia's res judicata
25 principals, that dismissal does have res judicata effect. Ms.

1 Modderno never appealed that decision and we think -- believe
2 she's trying to now revive that same claim through her proof of
3 claim. For all the reasons we've laid out in our declaration
4 as well as our reply and based on the doctrine of res judicata,
5 we think this claim should be disallowed, as well.

6 THE COURT: Ms. Modderno, are you on the phone?

7 MS. MODDERNO: Yes, sir.

8 THE COURT: Go ahead. Let me hear what you have to
9 say.

10 MS. MODDERNO: I've prepared a response to their
11 supplemental omnibus reply, and if the Court would allow me, I
12 need to read it because I'm very nervous.

13 THE COURT: How long --

14 MS. MODDERNO: May I read it, Your Honor?

15 THE COURT: No. Just tell me how long it is.

16 MS. MODDERNO: It's double-spaced, four pages. It's
17 very brief.

18 THE COURT: But here's what I would like you to do. I
19 would like you to file it with the Court, serve a copy on
20 debtors' counsel.

21 Mr. Wishnew, provide copies to the special borrowers'
22 counsel, too. Okay?

23 MS. MODDERNO: Yes.

24 THE COURT: And I'm going to take the matter --

25 MS. MODDERNO: I'm sorry. I didn't -- I'm old. My

1 hearing is slightly --

2 THE COURT: Okay. What I'd like -- I hope you heard
3 me that I want you to file it --

4 MS. MODDERNO: File? Yes.

5 THE COURT: Okay. And serve it --

6 MS. MODDERNO: With the Court and with the other
7 people. Right?

8 THE COURT: -- and serve it on the debtors' counsel.

9 MS. MODDERNO: Debtors' counsel.

10 THE COURT: Yes. And I'm going to take the matter
11 under submission. I'll read your additional argument and I'm
12 going to take the matter under submission.

13 MS. MODDERNO: Okay.

14 THE COURT: Okay. So with respect to Winkler and
15 Modderno, both of those matters are taken under submission.

16 Ms. Modderno, you need to get your additional
17 filing -- you need to get it out today. Okay?

18 MS. MODDERNO: Okay.

19 THE COURT: Serve it today because I've -- so that I
20 can deal with this matter. Okay?

21 MS. MODDERNO: All right. And --

22 THE COURT: Mr. Wishnew --

23 MS. MODDERNO: I'm sorry; I need to do it by mail but
24 I can do it overnight.

25 THE COURT: That's -- no, you can send it regular

1 mail. You don't need to send it overnight mail. Just send it
2 regular mail. Get it in the mail today.

3 But, Mr. Wishnew, what I'd like you to do is put this
4 matter back on -- put the Modderno matter back on the agenda
5 for the next omnibus hearing. Okay. I'm not sure that I'll
6 hear argument on it but I just -- to make sure that I keep
7 track of it, put it on the next -- for the next omnibus.

8 MR. WISHNEW: Your Honor --

9 THE COURT: And make sure that Ms. Modderno knows when
10 that's going to be. Okay?

11 MR. WISHNEW: Of course. Would you want the debtors
12 to join us for a surreply?

13 THE COURT: When you get it, look at it. If you think
14 you need to, do a very short surreply. Okay?

15 MR. WISHNEW: Fair enough.

16 THE COURT: I want to hold down the amount of paper.
17 Okay?

18 MR. WISHNEW: Absolutely, Your Honor.

19 THE COURT: Thank you. All right, Ms. Modderno; so
20 I'll look for your additional pleading. Okay?

21 MS. MODDERNO: Thank you very much, Judge.

22 THE COURT: All right. And you -- you'll be advised
23 when this is going to be back on the calendar, but I may well
24 decide it before then based on the papers. Okay?

25 MS. MODDERNO: Okay. Thank you.

1 THE COURT: Thank you very much.

2 MR. WISHNEW: Your Honor, one moment.

3 That brings us to item 13 on page 34 of the agenda,
4 the thirty-fourth Omnibus objection which dealt with no
5 liability employee claims.

6 There have been no responses to the objection and we
7 would ask that Your Honor enter the order.

8 And I'll just say with regards to the orders for the
9 omnibuses going forward that the debtors will submit electronic
10 copies to chambers after the hearing.

11 THE COURT: All right. Sustained.

12 MR. WISHNEW: Thank you, Your Honor.

13 Next, Your Honor, is the thirty-fifth omnibus
14 objection, page 35, item 14, no liability - assigned contract
15 claims.

16 And these are eight claims that we asserted are cure
17 pursuant to the asset sales. No objections to these, Your
18 Honor.

19 THE COURT: Anybody wish to be heard? I see somebody
20 coming. Are you coming for the thirty-fifth Omnibus?

21 MR. BERNARD: Good morning, Your Honor. I'm not sure
22 if --

23 THE COURT: Tell me your name.

24 MR. BERNARD: My name is Jack Bernard. I represent
25 Mary Biancavilla, docket number 5755, and I'm not sure if the

1 preceding omnibus objection related to my client's claim.

2 THE COURT: Mr. Wishnew, can you help me on this?

3 MR. WISHNEW: Yes. His client is on the forty-ninth
4 omnibus, Your Honor. We are not quite there yet.

5 THE COURT: We're not quite there yet.

6 MR. BERNARD: I apologize. Thank you.

7 THE COURT: Anybody appearing with respect to -- this
8 is the thirty-fifth we're talking about now? All right.
9 Sustained.

10 MR. WISHNEW: Thank you, Your Honor.

11 The next item on the agenda, item 15 on page 35, the
12 thirty-sixth omnibus objection to claims, misclassified and
13 wrong debtor borrower claims.

14 The debtors received six or so responses to this. We
15 have been able to resolve some; others have been adjourned.
16 The first matter going forward today is the matter of Ernestine
17 Ray, claim 4381. This was filed as a 90,000 dollar secured
18 claim for "mortgage note payment and taxes", which is equal to
19 a purported value of the real estate.

20 THE COURT: I'm sorry; which one? Oh, I see, okay.
21 It's the first one. Yes. Go ahead.

22 MR. WISHNEW: Okay. And Ms. Ray filed a response at
23 docket number 5527. At this point, Your Honor, we don't
24 believe that there's any valid basis for a secured claim here.
25 And with regards to redesignation, I'm going to ask that it be

1 redesignated to the Homecoming (sic) Financial's debtor because
2 it was Homecoming (sic) Financial's debtor that serviced the
3 loan here. So we would ask that Your Honor grant the relief
4 being requested in this regard.

5 THE COURT: Is Ms. Ray on the phone? Anyone appearing
6 for Ms. Ray?

7 Mr. Nosek, have you communicated with her?

8 MR. NOSEK: Your Honor, we have submitted -- sent two
9 letters to Ms. Ray and also placed two voice mail messages. We
10 have received no contact back.

11 THE COURT: All right. Let me take it under
12 submission.

13 MR. WISHNEW: Thank you, Your Honor.

14 Next, on the agenda, is Michelle Lawson, claim 5282.
15 This is a 89,000 dollar claim of which 51,300 is purportedly
16 secured based on a "secondary mortgage note".

17 The -- Ms. Lawson asserts that the mortgage should be
18 considered voidable and rescinded upon theory of mistake, that
19 it was perfected upon attachment, that respondent has
20 possession of the collateral, that they have a right of setoff.
21 These are simply just unsubstantiated allegations, Your Honor.
22 We see no basis for there to be a lien against this or any sort
23 of lien against property of the estate as well as right of
24 setoff. We emphasize, and this clearly goes for all the
25 claimants in the thirty-sixth, that while we are asking that

1 they be reclassified to unsecured claims, the fact is the claim
2 itself will still be on the register, they'll still have their
3 right to defend on a substantive basis the allegations they
4 make or the claims they make in their proof of claim which will
5 be addressed subsequently.

6 THE COURT: Mr. Nosek?

7 MR. NOSEK: Your Honor, on October 29th of this year,
8 our office spoke with Ms. Lawson and attempted to explain the
9 debtors' rationale for the relief sought in this particular
10 motion. The only thing she was able to do was just point to
11 her proof of claim and the response that she filed, but she
12 gave us no indication that she was willing to accept what the
13 debtor wanted to do. She did indicate to us that she probably
14 would not be appearing at this hearing.

15 THE COURT: All right. Matter is under submission.

16 MR. WISHNEW: Thank you, Your Honor.

17 Next, Your Honor, Deborah Wetzal, claim 2198. Her
18 response is filed at docket number 5474.

19 Again, this is a 255,000 dollar claim of which 205,000
20 is purportedly secured. There's really no supporting
21 documentation submitted here. As with the others, Your Honor,
22 we believe that there's no valid basis for a secured claim
23 against the debtors' estates and that it's properly
24 reclassified to an unsecured claim and recategorized to -- I'm
25 sorry -- moved to the correct debtor which would be GMAC

1 Mortgage, since that is the servicer of the underlying
2 mortgage.

3 THE COURT: Ms. Wetzel, are you on the telephone?

4 Mr. Nosek, any communication with Ms. Wetzel?

5 MR. NOSEK: On October 30th, we did have communication
6 with Ms. Wetzel regarding she has -- she did indicate during
7 that conversation that she intended to defend her claim as
8 against GMAC, I guess GMACM. We did leave a message about the
9 adjournment. This was originally scheduled for last week. We
10 didn't receive any further contact from her but she did
11 indicate to us on October 30th that she would defend the
12 underlying merits of the claim.

13 THE COURT: All right. Under submission.

14 MR. WISHNEW: Thank you, Your Honor.

15 Next is Kenneth Thomas, claim, 3728. His response is
16 filed 5495.

17 Really same arguments, Your Honor, that there really
18 is no valid asserted basis for a secured claim against the
19 debtors' estate, that the basis for moving the claim to the
20 GMAC Mortgage estate as opposed to the Residential Capital
21 estate is valid based upon the fact that GMAC Mortgage was the
22 party interacting with Mr. Thomas, not its parent company; for
23 the reason, we would ask for --

24 THE COURT: Mr. Thomas, you on the phone?

25 Under submission.

1 MR. WISHNEW: Thank you, Your Honor.

2 I believe the matter of Richard Rode has been
3 adjourned. Resolved? I'm sorry; resolved. I think there's a
4 stipulation docketed --

5 THE COURT: Okay.

6 MR. WISHNEW: -- yesterday.

7 THE COURT: All right.

8 MR. WISHNEW: Rhonda Deese, claim 4927, the response
9 docket at 5492. That matter's been adjourned to the next
10 omnibus hearing.

11 And the last one to be addressed, Your Honor, is Ron
12 and Julie Eriksen.

13 Again, like others, they have asserted a secured claim
14 based upon an equitable lien and a right of setoff. We believe
15 that both bases are not -- have not been proven, are not valid
16 bases for a secured claim against the debtors' estate, and that
17 their claim should simply just be an unsecured claim as opposed
18 to partially unsecured, partially secured.

19 THE COURT: Are either of the Eriksen's on the phone?

20 MR. ERIKSEN: Yes, Your Honor. This is Ronald
21 Eriksen.

22 THE COURT: All right. Go ahead. Let me hear what
23 you have to say.

24 MR. ERIKSEN: Good morning, Your Honor. Thank you for
25 allowing me to appear telephonically. Just one procedural note

1 before I begin.

2 I'm reserving my right under FRCP to respond to the
3 supplemental declaration of Deanna Horst. We've had fourteen
4 days to do so and their response was filed -- that was filed
5 along with their response two days ago.

6 Relative to the secured claim, debtor claims that my
7 status as a secured creditor is not valid; however, it is.
8 It's a fairly simple matter. My claim against the debtor is
9 for wrongful foreclosure. I am -- and there's been -- and
10 there's two reasons that the security lien exists. One is I'm
11 in current possession of my home and, as such, I have the right
12 of setoff.

13 And two, I am an -- I have an equitable lien as a
14 matter of operation of Illinois law, 735 ILCS 5/4-101. And I
15 have provided proof of the same in the proof of claim and
16 response to the debtors' objection.

17 The Illinois law has two requirements. The first is
18 it that it cannot be over twenty dollars and the second is that
19 I meet one of eleven criteria.

20 One of those criteria is that the debtor is not an
21 Illinois resident. Proof of this has been provided. I cite it
22 out and to the law in my filings before Your Honor and I've
23 also provided proof that the debtor is not an Illinois
24 resident. I provided this in the form of an Illinois
25 certificate of good standing for the debtor which states

1 they're a foreign company.

2 Another criteria is that the debtor is about to leave
3 the state. It appears that that is the case in that they have
4 withdrawn their corporate standing in the state.

5 Another requirement is the debtor is about to remove
6 the property, i.e., their security interest. It appeared the
7 debtor is attempting to remove their security claim, I believe,
8 to New York.

9 Another requirement is that the debtor has attempted
10 to or has fraudulently conveyed its assets. I provided proof
11 of this by the -- by the debtor which is that lender 2 filed
12 the Illinois foreclosure complaint against me was not the
13 lender who was the actual lender, lender 1, which was applied
14 in my proof and in my response.

15 Further in my proof, I claimed that the proof I
16 claimed that I filed in June or July provided the Court an
17 affidavit which is unrefuted saying that I never received any
18 notice of the purported transfer. Additionally, I have
19 provided proof which is prima facie in a -- that the
20 foreclosure complaint against me proved the complaint was filed
21 by lender 2 who had no standing to sue me for any reason, let
22 alone the foreclosure complaint. And the dispute that was
23 filed was filed -- the complaint that was filed was filed
24 fraudulently and predicated on fraud.

25 And lastly, the debtor's objection fails to meet the

1 standards by the Bankruptcy Code or by Simmons which is a
2 binding case precedent from the Fifth Circuit which relies on
3 binding Second Circuit case law. The only thing they provided
4 was a conclusitory (sic) statement that my claim isn't secured.
5 And I provided proof where by operation of Illinois law, I have
6 a lien. I'm also in possession of property which provides me
7 right of setoff and I would ask that Your Honor disallow the
8 objection.

9 THE COURT: Mr. Wishnew?

10 MR. WISHNEW: One point, Your Honor, with regards to
11 Mr. --

12 MR. ERIKSEN: Eriksen.

13 MR. WISHNEW: -- that the claimant hasn't mentioned is
14 that he is in possession of his property, the debtors are not
15 in possession of the property. The whole point of a setoff is
16 is there -- or a secured claim -- is is there property that the
17 debtors are currently holding against which he had -- have a
18 security interest, and I think the answer is plainly no. So we
19 would rely upon our pleadings that even if there is an
20 equitable lien, the lien is not against the property of the
21 debtors' estate, so there is no secured claim.

22 With regards to setoff, there is no identification of
23 a claim of any sort of mutuality here under Section 553. So in
24 regards to both bases, we think that is no valid secured claim,
25 that this should just be an unsecured claim and the parties

1 will address a substantive point at a future date.

2 THE COURT: All right. I'm going to take the matter
3 under submission.

4 MR. WISHNEW: Thank you, Your Honor.

5 THE COURT: Thank you, Mr. Eriksen.

6 MR. ERIKSEN: Your Honor, should I --

7 THE COURT: No, I'm going to take the matter under
8 submission and issue a written order.

9 MR. ERIKSEN: Thank you, Your Honor.

10 THE COURT: Thank you very much.

11 MR. ERIKSEN: Um-hum.

12 MR. WISHNEW: Your Honor, that brings us to matter 16
13 on page 36, thirty-seventh omnibus objection to misclassified
14 or wrong debtor borrower claims.

15 This -- there were eight claims; six of them dealt
16 with the claims of Mr. William Ridge.

17 Yesterday, the debtors reach a consensual resolution
18 with Mr. Ridge which resolves those and the other two claimants
19 did not file a response. We ask that the Court enter the
20 order. We will submit a modified form of order taking --
21 striking Mr. Ridge's claims from the order, leaving the
22 remaining two.

23 THE COURT: Does anybody wish to be heard with respect
24 to the thirty-seventh omnibus objection to claims? All right.
25 The others are sustained.

1 MR. WISHNEW: Thank you, Your Honor.

2 That brings us then to the bottom of page 36, item 17,
3 thirty-eighth omnibus objection to claim, wrong debtor borrower
4 claims.

5 Again, this dealt with about 150 borrower claims. We
6 did not receive -- I'm sorry; we did receive one response from
7 John and Gloria Brooks. We were able to resolve our
8 differences with them. A modified form of order will be
9 submitted on this omnibus objection.

10 THE COURT: Is Brooks the only one that --

11 MR. WISHNEW: That's correct, Judge.

12 THE COURT: All right. Go ahead.

13 MR. WISHNEW: So for all the reasons stated in the
14 omnibus objection, we would ask that the Court enter the form
15 of order as modified.

16 THE COURT: All right. Sustained.

17 MR. WISHNEW: Thank you, Your Honor.

18 Next, Your Honor, page 37, item 18, the thirty-ninth
19 omnibus objection.

20 This, too, is wholly unopposed. We received no
21 responses either on a docket or separately and I would ask for
22 the reasons set forth in the omnibus objection that the matter
23 be approved.

24 THE COURT: Sustained.

25 MR. WISHNEW: Thank you, Your Honor.

1 The next item is fortieth omnibus objection, page 37,
2 item 19. We received one response from Ajit and Shakun
3 Vasvani.

4 Their assertion is that they have a claim relating to
5 Residential Capital Mortgage Income Fund, LLC. It is the
6 debtors' position that even though there is a substan -- a
7 similarity in that the name -- the corporate entity they dealt
8 with is also called Residential Capital, that the debtors will
9 confirm or have confirmed through an exhaustive search of the
10 books and records that there's absolutely no relation between
11 this entity and any of the debtor entities such that any debtor
12 entity should be liable in any way to Mr. and Ms. Vasvani and
13 we would ask that the objection be approved.

14 THE COURT: Anybody appearing on behalf of the
15 Vasvanis?

16 Mr. Nosek, has your office had any communication with
17 them?

18 MR. WISHNEW: This is nonborrower, Your Honor.

19 THE COURT: Oh, it's a nonborrower. Excuse me.
20 Sustained.

21 MR. WISHNEW: Thank you, Your Honor.

22 That brings us to the forty-first omnibus objection,
23 item 20 on page 37. A duplicate of -- this duplicate and
24 amended and superseded proofs of claim.

25 This only dealt with three claims. No responses

1 received. For the reason set forth in the omnibus objection,
2 we'd ask the Court to approve the objection.

3 THE COURT: Sustained.

4 MR. WISHNEW: Thank you, Your Honor.

5 Bottom of page 37, item 21, forty-second Omnibus
6 objection, reduced and allowed borrower claims.

7 This -- Your Honor, there were three claims at issue;
8 two of them dealt with the same counterparty. We are in
9 discussions with them and have adjourned that matter to a
10 future hearing date.

11 With regards to the third claimant, we did not receive
12 any response and would ask that the order be entered as set
13 forth.

14 THE COURT: Who's the one you didn't receive a
15 response?

16 MR. WISHNEW: Off the top of my head, I forget their
17 name, Your Honor.

18 THE COURT: Mr. Nosek?

19 MR. NOSEK: One second.

20 THE COURT: You got to be able to tell me who the
21 borrower is, Mr. Wishnew.

22 MR. WISHNEW: Understood, Your Honor. Just need one
23 moment. It is Preston Baker and Madelyn Soto, claim number
24 1089; a 16,000 dollar general unsecured claim which we propose
25 to allow for 8,000 dollars based upon the terms of a pre-

1 petition settlement.

2 THE COURT: Mr. Nosek, any communication?

3 MR. NOSEK: Your Honor, I'm going to have to check a
4 different spreadsheet than I have in front of us. It may take
5 a moment.

6 THE COURT: Okay.

7 MR. NOSEK: I apologize.

8 THE COURT: Let's come back to that one.

9 MR. WISHNEW: Thank you, Your Honor.

10 THE COURT: Just make sure somebody remind me so we
11 won't pass it.

12 MR. WISHNEW: Okay.

13 THE COURT: Go ahead.

14 MR. WISHNEW: Next, Your Honor, page 38, item 22, the
15 forty-third omnibus objection dealt -- deals with insufficient
16 documentation.

17 The matter, as it relates to CitiMortgage, has been
18 adjourned to December 11th. It did receive one response from
19 Nardia Packer. It is the debtors' contention that what she
20 seems to be asserting is that she had an investment with or was
21 owed money from Ares Capital and held a note, I think of Ally.
22 But again, there was absolutely no connection to any of the
23 debtor entities or any evidence of any sort of guarantee by a
24 debtor entity of this obligation. So for the reasons set forth
25 in the objection and the reply, we ask that the matter be

1 approved.

2 THE COURT: All right. Is anybody appearing on behalf
3 of Nardia Packer? Hang on. Sustained as to Packer.

4 Mr. Nosek?

5 MR. NOSEK: Your Honor, back to the other one.

6 THE COURT: Yes, okay.

7 MR. NOSEK: If I could go back to the forty-second
8 omnibus?

9 THE COURT: Hang on. Let me get back to that. That
10 was Baker and Soto?

11 MR. NOSEK: Right. With regard to Soto, we have not
12 had any contact.

13 THE COURT: Okay. And -- okay.

14 MR. NOSEK: None with Baker as well.

15 THE COURT: All right. Thank you.

16 MR. WISHNEW: Thank you, Your Honor,

17 THE COURT: All right. So with regard to the forty-
18 second Omnibus, sustained.

19 MR. WISHNEW: Thank you very much, Your Honor.

20 That brings us to the forty-fourth omnibus objection.
21 This matter also dealt with objection to claims because they
22 were late filed, duplicates, redesignated and were allowed,
23 reducing and allowing the claims, redesignating and reducing
24 and allowing the claims, reclassifying, reducing and allowing
25 the claims.

1 There were two responses received. We have adjourned
2 the matter as to those two claimants and would ask that the
3 Court enter the order as to the balance of the parties.

4 THE COURT: Anybody wish to be heard with respect to
5 the forty-fourth omnibus objection? Sustained.

6 MR. WISHNEW: Thank you, Your Honor.

7 Next on the calendar, Your Honor, item 24, page 39,
8 the forty-fifth omnibus objection, no liability property tax
9 claims.

10 This matter dealt with seven claims. We've received
11 no responses and for the reasons set forth in the omnibus
12 objection, we ask that relief be approved.

13 THE COURT: Sustained.

14 MR. WISHNEW: Thank you, Your Honor.

15 Forty-sixth omnibus objection, Your Honor, page 39,
16 item 25, the insufficient documentation, servicing and
17 duplicative claims.

18 This dealt with sixty-nine claims. We received no
19 responses. For the reasons set forth in the objection, we ask
20 that the order be approved.

21 THE COURT: Anybody wish to be heard with respect to
22 the forty-sixth omnibus objection? Sustained.

23 MR. WISHNEW: Thank you, Your Honor.

24 That brings us to the bottom of page 39, item 26, the
25 forty-seventh omnibus objection, no liability, books and

1 records claim.

2 One response was received to this, Your Honor. That
3 is from Basic Life Resources. Basically, Your Honor, we see
4 this as nothing more than a question of title and don't believe
5 that there's any valid basis for liability against the debtors
6 who simply serviced this loan. If there is a question as to
7 what property is encumbered, then that's a question for the
8 current servicer, who is Ocwen, to take up, or for Basic Life
9 to address with the owner of the loan, which also is not a
10 debtor entity. So while there may be some confusion as to when
11 it is that Ms. Hill (ph.) conveyed to Basic Life Resources, the
12 debtors' involvement has always been that of a servicer. It
13 simply collected the mortgage payments, and any sort of cloud
14 on title that is being alleged is not the responsibility or
15 there is no blame to be cast on a debtor entity for this.

16 THE COURT: Anybody appearing on behalf of Basic Life
17 Resources? Under submission.

18 MR. WISHNEW: Thank you, Your Honor.

19 With regards -- next, Your Honor, item 40 -- I'm
20 sorry -- page 40, item 27, forty-eighth omnibus objection,
21 borrower insufficient documentation, no liability books and
22 records claims.

23 There were fifty claims subject to this objection. No
24 responses were received. For the reasons set forth in the
25 objection, I ask the Court enter the order.

1 THE COURT: Anybody wish to be heard with respect to
2 the forty-eighth omnibus objection? Sustained.

3 MR. WISHNEW: Thank you, Your Honor.

4 Next, Your Honor, forty-ninth omnibus objection, page
5 40, item 28 also a no liability borrower claim, books and
6 records objection.

7 This dealt with thirty-two proofs of claim. And at
8 this point -- I'm sorry. There were --

9 THE COURT: There are responses here.

10 MR. WISHNEW: There are responses here and with
11 regards to those responses, each of those responses has been
12 adjourned to, I believe the December 11th hearing. And we'd
13 ask for -- and this -- also, I'm sorry; this does include Ms.
14 Biancavilla, who did file a response yesterday. The debtors
15 have not had a chance to digest that. Again, it was filed less
16 than twenty-four hours before the hearing, well after the
17 response date. If the Court would like for the debtors to
18 reply, we will certainly do so. If --

19 THE COURT: I haven't read the response.

20 MR. WISHNEW: Okay. Okay. So at this point, Your
21 Honor, while we would contend that it's an untimely response
22 and shouldn't be considered, we understand if Your Honor would
23 prefer that we take this over to December 11th with the rest of
24 the responses that relate to this omnibus objection.

25 THE COURT: Mr. Nosek, these are borrower claims.

1 Have you had communication with these borrowers?

2 MR. NOSEK: No, we have not yet.

3 THE COURT: Okay. Let's -- I'd like to adjourn the
4 forty-ninth to the next omnibus.

5 MR. WISHNEW: In its entirety, Your Honor?

6 THE COURT: Yes. I'm just not ready to go forward on
7 this.

8 MR. WISHNEW: Okay.

9 THE COURT: I need to go -- I have not read these
10 responses. I need to read these responses.

11 MR. WISHNEW: Understood, Your Honor.

12 And so that, then, brings us to the last matter on
13 today's agenda which is the fiftieth omnibus objection.

14 There were approximately two dozen responses received.
15 About half of those are going forward today. The balance have
16 been adjourned or consensually resolved.

17 The first matter to address, Your Honor, would be the
18 matter of Mary Critchley, claim number 1576. This is a claim
19 for 970,000 dollars dealing with wrongful foreclosure and
20 wrongful conduct.

21 It is the debtors' position as set forth in the
22 response that this -- the debtors acted entirely appropriately,
23 that complaints about a need for escrow or workouts were -- are
24 unfounded, that the debtors did utilize their best efforts to
25 work with Ms. Critchley ahead of the foreclosure sale. And to

1 address a few points and a few allegations made with regards to
2 the foreclosure, I just wanted the record to reflect that a
3 foreclosure sale did take place in June 2010. There was a six-
4 month redemption period until December 2010. At no time did
5 the debtors tell Ms. Critchley to vacate her home. In fact,
6 the redemption period in Michigan is specifically there so that
7 the debtor does not have to vacate the home until there's an
8 actual eviction proceeding commenced.

9 With regards to the rescission, the reason for GMAC
10 Mortgage rescinding the foreclosure sale in May 2011, that
11 dealt with a decision by the Michigan state courts dealing with
12 MERS' ability to foreclose and the separation of the note and
13 the mortgage.

14 GMAC Mortgage was not -- the debtor entities were not
15 directly -- were not a party to that decision and there was no
16 improper actions by -- it's the debtors' contention there were
17 no improper actions by any of the debtor entities in connection
18 with the foreclosure but because of the decision by a Michigan
19 state court, the sale was rescinded and the account was then
20 sent -- the sale was rescinded and then essentially collection
21 proceedings begun later on in November 2011, at which time Ms.
22 Critchley was, I believe, more than a year behind on her
23 payments.

24 So in sum, Your Honor, the -- we believe that for the
25 reasons set forth in the reply in Ms. Horst's declaration, we

1 have addressed each of Ms. Critchley's contentions and that the
2 claim -- there is no valid basis for liability against the
3 claim.

4 One other point is that she -- while Ms. Critchley
5 does make a claim for wrongful foreclosure based upon the
6 statute as we've described it and assessed it in the reply, we
7 don't believe a valid claim would stand under Michigan state
8 law for wrongful foreclosure against a debtor entity.

9 THE COURT: Is anybody appearing for Ms. Critchley?

10 MR. MORGANROTH: Yes, Your Honor. Mayer Morganroth
11 appearing for Mary Critchley. She's also here and has been in
12 attendance this morning throughout.

13 THE COURT: Go ahead, let me hear from you.

14 MR. MORGANROTH: Yes, Your Honor. First of all, we
15 filed our response to the objection almost five weeks ago, and
16 I was in hearings on day before yesterday, late in the
17 afternoon. On that day we received the reply. I met with my
18 client yesterday for the first time regarding the particular
19 reply, because we didn't get it to actually look at till
20 yesterday. The fact of the matter is is that reply and counsel
21 are misinformed.

22 First of all, my client submitted forty-one documents
23 to them showing their misconduct; not one was addressed in any
24 of their reply.

25 Second of all, they state in there that somehow she

1 didn't send in P&L statements, and whatever. I have faxes --
2 which we didn't produce because we didn't get this until -- to
3 look at till yesterday -- faxes galore sent to them with P&Ls,
4 what they sat on and said they're outdated now. And she kept
5 calling them and calling them regarding those P&Ls that she had
6 sent, and they say oh, they're outdated now; we didn't get to
7 them. This went on for months, repeatedly, where she would
8 keep sending them materials.

9 Originally, she had the mortgage on this particular
10 premises in 2003, and she refinanced it in 2005 where GMAC came
11 in. She never was given any default ever, and then they wanted
12 to increase the payments all of a sudden; 2009, GMAC when they
13 buy the mortgage, and they want to increase the payments. And
14 she tells them that she's going to be starting a new business,
15 she has certain problems financially at this point. They say
16 well, I'll tell you what, you have no problem; just send us the
17 request for modification, you'll get it, and don't make your
18 payments for ninety days. She made her payment even that month
19 anyway and then didn't make the payments for ninety days
20 because they told her that that would happen.

21 Also in response to the reply we got, we have faxes
22 continually sent by her trying to get them to move, and then
23 them coming back and saying gee, it's got to be updated because
24 we didn't get to it, it's been sitting on the desk.

25 We also have letters received from them that said that

1 they are currently processing the request, they'll respond in
2 twenty business days. They respond a couple of months later
3 and say oh, it's outdated, do it again. And then we got
4 continuing responses from them saying need a new P&L because
5 it's aged again.

6 Then we have continual telephone conversations where
7 she tries to reach them, and when she talks to them. She
8 talked to Scott, Seth, Edwin, Keith, Sholanda (ph.), Robert and
9 Yolanda repeatedly. We have those.

10 The fact of the matter is is had they just told her at
11 the time when they told her they wanted the taxes to increase
12 the payment, which had never been done before and she was in
13 default, she would have just gone out and gotten the money, but
14 they told her no, you can modify, and that's what she did. But
15 they, I don't believe, ever intended -- and I think they were
16 fraudulently inducing her -- intended to modify. They wanted
17 to grab the home of which she already put 70,000 dollars into.

18 The fact of the matter is we do have exhaustive
19 evidence and testimony to the fact of their misconduct in what
20 they did. And the particular document we get in reply, I
21 believe, has a short affidavit by somebody who never was
22 involved in the particular transaction -- I don't know where
23 they got her from -- and didn't use any of the documents,
24 forty-one of which we attached, that showed that what she says
25 is incorrect, and not correct at all. Nor any of the faxes or

1 letters that they sent to us, I should say, to my client.

2 Now what they did is they foreclosed, and even just
3 before the foreclosure, they tell her that oh, don't worry
4 about it, everything's fine, we'll remove it. Then they
5 foreclose and she moves out three months later because she had
6 to find a place for her mother, too; they told her she was all
7 through and out, so she didn't waste the six months, she went
8 three months because she found a place for her mother and a
9 place for her to rent, and they went.

10 Then what happens is nothing. She just posted that
11 she foreclosed again, because she's got her new business, and
12 the new business is starting to do well. And what happened,
13 she no longer can conduct the business, she needs to get an
14 independent agency to be intermediary that takes half of the
15 entire gross because she has bad credit report because of the
16 fact that she's been foreclosed. And she wasn't foreclosed,
17 because they went and removed the foreclosure without even
18 telling her months and months later the following year. And
19 what do they do? In 2012 they make a foreclosure sale a second
20 time and she now has twice foreclosures on her credit report
21 which ruins her business terribly.

22 The fact of the matter is is that all of the
23 documentation, all of the sworn testimony that will come, and
24 all of the communications from GMAC completely, completely show
25 their fraudulent representations, their fraudulent inducement,

1 their nondisclosure in what they did to Mary Critchley.

2 And then, in short, Your Honor -- I don't want to go
3 on forever -- if we went to a particular proceeding, we'd have
4 some eighty documents, exhibits, to go through, and her sworn
5 testimony. And I'd like to hear from the other side on that.

6 THE COURT: Mr. Wishnew, respond to --

7 MR. MORGANROTH: Thank you, Your Honor.

8 THE COURT: Thank you.

9 MR. WISHNEW: Thank you, Your Honor.

10 THE COURT: Just tell me your name again, I'm sorry?

11 MR. MORGANROTH: I'm sorry, Mayer Morganroth.

12 THE COURT: Thank you, Mr. Morganroth.

13 MR. MORGANROTH: I'm not exactly a beginner; I've been
14 doing this fifty-nine years.

15 THE COURT: You know, I apologize, what state was this
16 property in?

17 MR. WISHNEW: Michigan, Your Honor.

18 THE COURT: Michigan, okay. Go ahead, Mr. Wishnew.

19 MR. MORGANROTH: Thank you, Your Honor.

20 THE COURT: Go ahead and respond.

21 MR. WISHNEW: Your Honor, I believe we addressed many
22 of these points in the reply and through Ms. Horst's
23 supplemental declaration. And I'll just address one of Mr.
24 Morganroth's points.

25 Ms. Horst is the chief claims officer for Residential

1 Capital on its current estate. She oversees a team of default
2 operations personnel, claims reconciliation personnel who have
3 regular access and familiarity with the debtors' servicing
4 notes, loan payment histories, loan modifications histories.
5 And so the representation she's making, while she might not
6 have touched every single one of these files, she's working
7 with the people most familiar with these files, and looking at
8 the company's ordinary servicing notes and using that as the
9 basis for her factual assertions in the supplemental
10 declaration.

11 THE COURT: I'm going to allow Ms. Critchley's counsel
12 to file a surreply. The issue for the Court is does this
13 matter involve disputed issues of fact, is it a contested
14 matter as to which subsequent proceedings are going to be
15 required. When can you file a surreply?

16 MR. MORGANROTH: Your Honor, could I have thirty days?

17 THE COURT: No, no, I'll give you a week.

18 MR. MORGANROTH: A week.

19 THE COURT: I'm not going to give you more than a
20 week. Next Friday.

21 MR. MORGANROTH: I'll have to do it at nights, Your
22 Honor, because I have other proceedings, but --

23 THE COURT: You have until 5 p.m. on the 22nd.

24 MR. MORGANROTH: Your Honor, certainly.

25 THE COURT: Okay. After receiving the surreply, I

1 don't want anymore paper after that, Mr. Wishnew. The Court
2 will determine how to proceed with the matter after that.

3 MR. WISHNEW: Understood, Your Honor.

4 THE COURT: There were lots of other responses on this
5 omnibus objection.

6 MR. WISHNEW: There is, Your Honor. Did you want to
7 take a break and we can continue, or --

8 THE COURT: No, the last thing I want to do is take
9 a -- I want to take a break, but the break will be when this
10 calendar is done.

11 MR. WISHNEW: Understood, Your Honor. I will try to
12 be as quickly -- as quick as possible.

13 The next matter on the calendar, Your Honor, is Rainer
14 Warner, claim 1574. He asserts purported financial injury due
15 to alleged errors, misrepresentations and deficiencies, leading
16 to his foreclosure process.

17 THE COURT: Let me stop right here. Is anyone here in
18 either in person or on the telephone with respect to the
19 debtors' fiftieth omnibus objection?

20 Come on up to the microphone. And who are you -- no,
21 to the microphone. Hold on, I'll let people on the phone in a
22 minute. Just tell me -- yes.

23 MR. NADEL: Good morning, Your Honor. Rosenberg Musso
24 by Robert Nadel, for creditor Albert Passaretti; I believe that
25 is on the fiftieth.

1 THE COURT: Did you file a response?

2 MR. WISHNEW: Mr. Passaretti did file a response; we
3 did not file a reply, Your Honor. I was hoping to have gotten
4 an adjournment from Mr. Passaretti. I had a call to his
5 counsel earlier in the week. Unfortunately, it did not work
6 out in terms of an adjournment or consent to an adjournment, so
7 I was prepared to address the matter that's on the record
8 today.

9 THE COURT: All right. Let me hear you briefly.

10 MR. NADEL: Thank you, Your Honor. I don't have much
11 to add to what's in Mr. Passaretti's response to the debtors'
12 objection. He asserts that the foreclosure of his Harbor City,
13 California property was improper. He filed an action to set
14 aside the foreclosure in the California Superior Court.
15 Admittedly, this was dismissed, and his appeal was -- his
16 appeal was stayed by the debtors' filing.

17 The only thing I can add to that is that after the
18 dismissal and prior to the appeal, he learned information that
19 would lead him to believe that GMAC was not the holder of the
20 note and mortgage at the time of the foreclosure.

21 THE COURT: Anything else you want to say?

22 MR. NADEL: No, Your Honor.

23 THE COURT: Okay. Mr. Wishnew, you want to respond to
24 Mr. Passaretti?

25 MR. WISHNEW: Yes, Your Honor. With regards to the

1 point of being the holder of the note, GMAC -- the debtors'
2 rule here was as servicer; GMAC Mortgage was the servicer, it
3 was not the noteholder. It acted with the authority of the
4 noteholder. And so in that capacity, acted entirely
5 appropriately and consistent with business practices.

6 THE COURT: This is nonjudicial foreclosure,
7 California?

8 MR. NADEL: Yes, Your Honor.

9 THE COURT: Anything else, Mr. Wishnew?

10 MR. WISHNEW: I would simply say that this claim is
11 nothing more than an attempt to relitigate the matter that's
12 been dismissed and heard on summary judgment in California.

13 THE COURT: Well, dismissed, but the appeal is stayed.

14 MR. WISHNEW: The appeal is stayed, Your Honor, yes.
15 It's been fully briefed and oral argument is, at this point,
16 being waived to be calendared.

17 THE COURT: Right. Does the debtor agree to lift the
18 stay to allow the appeal to be decided?

19 MR. WISHNEW: Can I have one minute, Your Honor?

20 THE COURT: Yes.

21 MR. WISHNEW: Thank you.

22 (Pause)

23 MR. WISHNEW: Your Honor, just to clarify, it would be
24 an appeal -- I'm sorry, stay relief to allow the appeal to be
25 heard, and beyond that, would he have any additional rights to

1 go back to --

2 THE COURT: No, I mean, you got the case dismissed.

3 MR. WISHNEW: Correct, Your Honor.

4 THE COURT: They have appealed. You've told me it's
5 fully briefed. If the appeal is resolved in the debtors'
6 favor, that's, frankly, going to be the end of the matter.

7 MR. WISHNEW: Okay.

8 THE COURT: But I -- I'm not going to step in in the
9 middle of the appellate -- you're not going to tell me well, it
10 was dismissed and I'm going to rule on that basis what
11 you've -- whether the bankruptcy filing has resulted in the
12 automatic stay, which it has, I don't dispute that. But as I
13 think you know, in many other matters in this case where there
14 were appeals pending, the parties have either agreed, or I've
15 ordered, that the stay be lifted.

16 So what you should do with Mr. Passaretti's counsel is
17 work out an appropriate stipulation lifting the automatic stay
18 solely for the purpose of permitting the appeal to go forward
19 and be decided.

20 MR. WISHNEW: Absolutely, Your Honor.

21 THE COURT: All right?

22 MR. WISHNEW: Yep.

23 THE COURT: Is that satisfactory to counsel?

24 MR. NADEL: Yes, thank you, Your Honor.

25 THE COURT: Okay. Go ahead, Mr. Wishnew.

1 MR. WISHNEW: Did Your Honor want to survey who else
2 is on the -- in the courtroom or on the phone with regards
3 to --

4 THE COURT: Yeah. Is there anybody else -- I think
5 there was somebody else on the phone who wanted to speak on
6 behalf of one of the other people who responded to the
7 fiftieth. Is anybody appearing on behalf of any of the
8 claimants with respect to the fiftieth omnibus objection to
9 claims?

10 MR. MCGUINTY: Your Honor --

11 THE COURT: Go ahead.

12 MR. MCGUINTY: My name is Michael McGuinty, and I'm
13 not really well versed on the Court, but I've been on the line
14 since a quarter to 10 this morning, and never heard my name
15 called.

16 THE COURT: You're in -- actually, this is when you
17 ought to be speaking; this is with respect to the fiftieth
18 omnibus objection. Your response, Michael A. and Gloria S.
19 McGuinty --

20 MR. MCGUINTY: Yeah.

21 THE COURT: -- you filed a response to the debtors'
22 fiftieth omnibus objection. Now's the time to speak.

23 MR. MCGUINTY: Thank you, Your Honor. And my wife
24 Gloria is on the other phone because we --

25 THE COURT: That's fine.

1 MR. MCGUINTY: We received about 500 pages yesterday
2 and it was in Gloria's name.

3 I would like to start, Your Honor, with page 124 of
4 423 that I sent you.

5 THE COURT: Go ahead.

6 MR. MCGUINTY: This page and the following three pages
7 shows my thirty-five year relationship with General Motors
8 going back to 1971. And on page 25 of 423, they offered me
9 that I could refinance my house for another 158,303 dollars if
10 I chose, okay.

11 I had -- because I am handicapped, I have blind faith
12 in the old General Motors. I mean, I had polio, I have a heart
13 condition, I have forty-nine stitches in my left hand. These
14 were the only company that would ever give me a job, and I had
15 blind trust in what I could believe what they told me, if it
16 was -- it always happened.

17 And I always thought that GMAC would work with me
18 because I had financed cars, I had three cars financed, several
19 homes. Never had a problem in thirty-five years.

20 And then in 2009, as I stated -- I wrote a letter that
21 was titled "The Anatomy of a GM Mortgage Massacre," that I sent
22 to you. It's the whole story of what happened to me. GMAC
23 claims that what I read here that they told me that I did not
24 have sufficient funds. I -- since looking at this, I've gone
25 in -- on page 64 of 111 a letter from GMAC, it's dated 7/20 of

1 '09.

2 THE COURT: Go ahead, Mr. McGuinty.

3 MR. MCGUINTY: There are three places where it's
4 for -- it shows insufficient funds; none of those are checked.
5 When you go to the following page, 65 of 111, they checked
6 mortgage affordability.

7 And when I talked to Mark (ph.) at GMAC, and I have
8 his ID number, he told me he says keep on making your thirteen
9 payments every year, use your GM credit cards to reduce your
10 mortgage, and reapply in 2010, which we did. And I even sent
11 them more money, and more paper. And there was a time when,
12 like the previous person, I got shuffled from one person to the
13 other so I began to catalogue and talk of who I talked to and
14 when I talked to, okay. But I still had faith in General
15 Motors, okay. But then when they came back in 2010, they said
16 I didn't have enough capital, I was blown away.

17 Jennifer Granholm, at that time, the State of
18 Michigan, had a Hardest-Hit program. I took -- we went up and
19 we had five meetings in Flint, Michigan. And Calea Moore
20 (ph.), she said she was never blown away -- because I have so
21 much information, I intimidated her. I said I didn't mean to
22 intimidate anybody. But she says GMAC's -- their belief is
23 that GMAC is going to deplete me of all my capital and take
24 both my Michigan and my Florida home, okay?

25 I go back in and I read this information that I get

1 yesterday and they tell me, on page 15 here in the back, where
2 responds to me that they say that my expenses are 7,345.70 and
3 I have a deficit of 2,750.53 per month. And they only use my
4 \$620.45 mortgage in my Florida home. They omit that I had been
5 paying in addition to that \$1596.08 which almost makes it --
6 they say it's four to one; it's one to one.

7 And I'm not a lawyer, but I -- I think I have some
8 common sense. I'm almost seventy-six years old, and to me my
9 life is done, and my wife's life is done, but I've set up
10 trusts for all of my grandkids.

11 I wrote a letter to the State of Michigan, I said you
12 take this case; you can have a hundred percent of the money, I
13 don't want it. And they wrote me back and they said you know,
14 we'd like to help you but we can't.

15 I wrote Gerry Spence, up in Montana, and he wrote me
16 back, he says we'd like to help you but I'm old.

17 I wrote Geoffrey Feiger, and Geoffrey Feiger wrote me
18 back twice; I just don't think he wanted to mess with GMAC and
19 the Federal Reserve, which had seventy-four cents of every
20 dollar that GMAC had. So I just -- I guess I'm -- I'm at a
21 loss.

22 THE COURT: All right, Mr. McGuinty.

23 MR. MCGUINTY: Been fighting this for five years,
24 night and day, and I guess I'm going to keep fighting it
25 regardless of what happens until I die.

1 THE COURT: Okay.

2 MR. MCGUINTY: Because I've been wronged, and I've
3 worked fifty years of my life, and to have some people come in
4 and shyster me out of it, I'm not happy about that.

5 THE COURT: Okay. Mr. Nosek, have you -- has special
6 borrowers' counsel looked into this?

7 MR. NOSEK: We have had -- we had at least one
8 conversation with Mr. McGuinty.

9 I would raise that this might be an appropriate time
10 to bring up the brief that we filed.

11 THE COURT: I'm sorry?

12 MR. NOSEK: The brief that we filed, because it does
13 appear that -- focuses a lot on loan modification issues.

14 THE COURT: It does. That's --

15 MR. NOSEK: We did address Florida law, which is where
16 the property was located; it does look like it's a HAMP law,
17 which there is no proper right of action under HAMP for loan
18 modification denials. And so I would have -- relay that to the
19 Court. We do have some information in our brief with regard to
20 how to address the law.

21 As far as the underlying allegations, we -- I mean, we
22 can look it into further if you want us to, but based on --
23 from a legal standpoint, we believe that reference to our memo
24 would be appropriate for this claim.

25 THE COURT: Okay. All right; I'm going to take this

1 matter under submission.

2 Mr. McGuinty, what Mr. Nosek -- Mr. Nosek is the
3 special counsel to the creditors' committee for borrowers
4 issues. And what he was referring to about a brief was at the
5 Court's direction some time ago, I had both the debtors'
6 counsel and the creditors' committee special borrowers' counsel
7 file briefs with the Court on the law with respect to --
8 arising in loan modification issues about what, if any, claims,
9 causes of action, legal claims or causes of action, have been
10 recognized and their brief -- the creditors' committee counsel
11 brief addresses the law in fourteen states, including the State
12 of Florida. I need to go back -- and I've read the brief, I've
13 commented about that before -- and I need to go back and look
14 specifically and go back and look at the documentation that the
15 McGuinty's have submitted to see whether -- recognizing that
16 they're not lawyers, whether those papers -- and considering
17 the debtors' response, whether it appears that the McGuintys
18 have stated a viable claim. So I'm going to -- Mr. McGuinty,
19 there's nothing further you need to do at this point. I'm
20 going to go back and review your filing with the Court. And I
21 certainly appreciate your comments during the hearing today.
22 Okay?

23 MR. MCGUINTY: Your Honor, could I ask -- add one
24 thing?

25 THE COURT: Yes, go ahead.

1 MR. MCGUINTY: I was trying to -- it was not the
2 Florida property, because my monthly payment in Florida was 620
3 in which my 1,596 dollar payment in Michigan.

4 THE COURT: Okay.

5 MR. MCGUINTY: And they say in 2009 I had insufficient
6 funds. From 2009 till July of 2010, I paid them another
7 thirteen months.

8 THE COURT: Okay.

9 MR. MCGUINTY: I gave them over 20,000 dollars.

10 THE COURT: Okay. Mr. Nosek, did you address
11 Michigan's law?

12 MR. NOSEK: Yes, Your Honor, we did.

13 THE COURT: Okay.

14 MR. NOSEK: And we did file this on the docket; I'd be
15 happy to send a copy to --

16 THE COURT: Yeah.

17 MR. NOSEK: -- Mr. McGuinty.

18 THE COURT: Could you do that?

19 MR. NOSEK: Yes.

20 THE COURT: I'm going to have -- Mr. McGuinty, I'm
21 going to have the special counsel to the committee send you a
22 copy of the brief they filed in this Court; it addresses both
23 Michigan and Florida.

24 MR. NOSEK: Yes.

25 THE COURT: And so you'll receive a copy of that. But

1 I want to go back and review. And the debtor filed a brief as
2 well, but I want to go back and review those papers in relation
3 to this pro se claim that's filed. So I'm going to take that
4 under submission.

5 Mr. Wishnew -- let me first ask, is there anybody else
6 appearing for any of the claimants with respect to the debtors'
7 fiftieth omnibus objection to claims?

8 MS. BURGIN: Yes, Your Honor. This is Marcene Burgin.

9 THE COURT: Okay, go ahead. Let me hear what you have
10 to say.

11 MS. BURGIN: And first of all, thank you very much for
12 hearing me this morning. And I did receive the fiftieth
13 omnibus objection last night. And first thing I would just
14 like to address is that it states that we were late on monthly
15 payments. And nowhere ever during the term of our loan have we
16 ever made a late payment. And it's always been set up on
17 automatic withdrawal from the beginning of the loan, so I don't
18 see how that would even be possible.

19 Section 10(b) of the original disclosure statement of
20 our loan refers to GMA's (sic) right to refuse to make
21 additional advances or reduce the credit limit on our loan.
22 And the checking account portion of this loan we feel is
23 somewhat separated from that. That would give them the right
24 not to lend us additional funds, which we have never requested,
25 and it would also give them the right to reduce the amount

1 we're allowed to borrow, which is fine. But nowhere in the
2 disclosure does it give GMAC the right to take away our right
3 to use the checking account portion to make deposits against
4 our principal and use our own funds. Nor did it give them the
5 right to take away the liquid cash flow that we were using to
6 make investments and live our daily life. And that took away
7 our ability to make investments and to pay our bills, when they
8 took that money that we had in our account and applied it to
9 the loan.

10 So there's, you know, never been a time during the
11 duration of the loan that we were in any kind of default that
12 we could see that would allow them to do that. So that's the
13 basis of our claim here.

14 THE COURT: Okay. Anything else you want to say, Ms.
15 Burgin?

16 MS. BURGIN: No. Thank you, Your Honor.

17 THE COURT: All right. Mr. Wishnew.

18 MR. WISHNEW: Thank you, Your Honor. Your Honor, this
19 deals with a home equity line of credit. And as was attached
20 to --

21 THE COURT: Just pull the microphone a little closer.

22 MR. WISHNEW: I'm sorry, Your Honor. This deals with
23 a home equity line of credit given to Mr. and Ms. Burgin. I
24 believe as attached to their response, paragraph 10 or Section
25 10 of their home equity line says "your right to temporarily

1 suspend my advance or reduce my credit limits," and 10(a)(1)
2 says "the value of property declined significantly below its
3 appraised value for the purposes" --

4 THE COURT: Slow down.

5 MR. WISHNEW: I'm sorry.

6 Section 10, subsection (a), subsection -- subsection
7 (1) says that "you may take the actions listed in paragraph B",
8 which would be "refusing to make any additional advances or
9 reducing the credit limit if the value of the property declines
10 significantly below its appraised value for purposes of my
11 account." Section C -- 10(c) says "before reinstating my right
12 to obtain advances, or restoring my credit limits, you may
13 conduct or obtain credit reports, appraisals, lien searches or
14 other evaluations as you consider appropriate."

15 At the direction of the investor of this line of
16 credit, an appraisal was undertaken. The assessment was that
17 the value of property had declined significantly below its
18 appraised value so it could not support the line of credit.
19 There was a letter sent on November 12th to Mr. and Ms. Burgin
20 advising them of that.

21 THE COURT: November 12th of what year?

22 MR. WISHNEW: 2008, Your Honor. There was a -- my
23 recollect -- or sorry. It is the company's records reflect
24 there was a call with Mr. and Ms. Burgin a week later, November
25 19th, 2008, to discuss that letter. There was no cure, as --

1 or remedy or attempt to correct the defect by the Burgins at
2 that point in time, and so it's the debtors' position that they
3 acted appropriately, consistent with business practices, in
4 stopping the advances on the HELOC at that point in time given
5 the satisfaction of the conditions set forth in the line of
6 credit.

7 THE COURT: All right. Ms. Burgin, do you want to
8 respond?

9 MS. BURGIN: Yes, I would like to do that.

10 I do not believe that we were ever advised of a
11 reappraisal, but I don't feel that that is actually the issue
12 here, anyway.

13 We still maintain that we were not asking for any
14 further advances and they could have reduced the credit limit,
15 but that they didn't have the right to restrict our ability to
16 use that account as our checking account and make our own
17 deposits and write checks out of that, which did significantly
18 decrease the interest owed by decreasing the value of the -- or
19 the amount of the principal.

20 And I did make a call in response to -- to the letter
21 saying that they were going to take that action, but was
22 advised that there was really nothing that we could do unless
23 we were in default on our loan, and we had not stopped making
24 any payments or dropped behind at all. And they said that was
25 the only -- only way that you could modify or that they would

1 work with us.

2 THE COURT: All right. Mr. Nosek, has the borrower's
3 counsel had any involvement in this?

4 MR. NOSEK: We did have one discussion with the
5 claimant, but were unable to resolve with her.

6 THE COURT: All right.

7 MR. NOSEK: This does -- sorry, I apologize. This
8 does appear to be a simple contract action under California
9 State law.

10 THE COURT: All right.

11 MR. NOSEK: Not covered by our memo.

12 THE COURT: All right. I'm going to take the Burgin
13 matter under submission.

14 Let me ask again, is there anyone else appearing on
15 behalf of any other claimant in connection with the fiftieth
16 omnibus objection? If you want to be heard, now's the time.

17 MR. ABU: Yes, Your Honor. My name is Felix Abu.

18 THE COURT: I'm sorry, just tell me again your name?

19 MR. ABU: Name is Felix O. Abu.

20 THE COURT: Okay, go ahead.

21 MR. ABU: Docket number 5471.

22 THE COURT: Go ahead, I'll hear what your argument is.

23 MR. ABU: Yes. Thank you, sir, for giving me the
24 opportunity to talk to you today; I really appreciate your
25 effort, and to be on the side of justice. I really appreciate

1 you. Please excuse my accent; I have an accent, hopefully you
2 will be able to understand me clearly.

3 My complaint is based on an foreclosure and
4 (indiscernible) title, slander of title, and also negligence of
5 fiscal (indiscernible). The defendant, he has no business to
6 foreclose on my property, which was done illegally.

7 On October 19th, 2011, I requested for a qualified
8 (indiscernible) request; but no response from them. On March
9 15, 2013 I requested again for material violation to send me
10 this document that show my payment history, and also to show
11 the original note of my document. Up to now, no response.
12 They'd be giving me the runaround, and they are not trying to
13 help.

14 I tried to negotiate with them based on your
15 supplemental order. The attorney called me to negotia -- to
16 settle. Yet again, they did not negotiate with me.

17 So I'm stuck with a bill from the IRS for 273,000
18 because that's what they claim. So I don't know how you can be
19 of my help because they are giving the runaround. This case
20 has been going on for so long.

21 And ETS, they had no right to my titles; they have no
22 legal standing to assure that they have the notes to do
23 foreclosure on me. And I assure you, there was no public sale,
24 that was to happen at 2012.

25 THE COURT: Anything else you want to add?

1 MR. ABU: Yeah, I just want to have relief from the
2 judge. And -- because I suffered a lot of injury health wise,
3 and also a loss of property.

4 THE COURT: All right. Mr. Wishnew, you want to
5 respond?

6 MR. WISHNEW: Thank you, Your Honor.

7 One thing that Mr. Abu does not mention is that he had
8 previously sought bankruptcy protection in California, and had
9 commenced an adversary proceeding in his -- I think Chapter 7
10 proceeding, to -- essentially wrongful foreclosure. And
11 everything he's complaining of here has essentially -- he tried
12 to bring in adversary proceeding earlier this year,
13 notwithstanding the stay against GMAC mortgage and ETS.

14 That matter was dismissed because the Court
15 acknowledged that Mr. Abu lacked standing to bring such an
16 action. That he -- that the matter belonged to the estate, his
17 estate, and was not brought by the trustee.

18 The case was closed, and he got a discharge January
19 29th of this year. He then sought to reopen -- I think has had
20 success in reopening his case, filed schedules identifying
21 claims, just like what he's mentioned against GMAC and ETS.

22 Again, the claim belongs to the Chapter 7 trustee and
23 the bankruptcy estate. No one on -- from a trustee perspective
24 has reached out to us in this regards. And at this point we
25 don't think Mr. Abu should be the one to be prosecuting this

1 claim. And for the reason that he didn't have standing before,
2 he doesn't have standing now. And the claim should be
3 disallowed for the reasons set forth.

4 THE COURT: Mr. Nosek.

5 MR. NOSEK: Hold on, Your Honor.

6 MR. ABU: Yes, Your Honor?

7 THE COURT: Just a second, Mr. Abu, okay. Hold on a
8 second.

9 MR. ABU: Do you want me to talk, sir?

10 THE COURT: No, I'll give you another chance, but I've
11 asked special borrowers' counsel first to address the issues.
12 I'll give you another chance, Mr. Abu, don't worry.

13 MR. ABU: Thank you, sir.

14 THE COURT: Mr. Nosek, could you address me first?

15 MR. NOSEK: I apologize, Your Honor.

16 THE COURT: Have you had any communications with Mr.
17 Abu?

18 MR. NOSEK: We've had a conversation with the
19 claimant.

20 THE COURT: Right.

21 MR. NOSEK: But, obviously, with regard -- from a
22 procedural standpoint, if the bankruptcy case is still open,
23 then the Chapter 7 trustee -- speaking from experience for
24 representing them -- that would be his asset, those claims.
25 And so the question I had --

1 THE COURT: Unless the trustee abandons it.

2 MR. NOSEK: Unless he abandons it, correct. And
3 then -- but from what we can tell from the documents the case
4 may still be open, or was recently reopened.

5 THE COURT: Okay.

6 MR. NOSEK: And if he did not list -- if the debtor --
7 the claimant in this case did not list it originally, it would
8 still be property of the estate.

9 The question comes up is whether the Chapter 7 trustee
10 has received noticed of the objection.

11 THE COURT: Okay. Mr. Abu, can you tell me, is your
12 Chapter 7 bankruptcy still open?

13 MR. ABU: Yes, sir.

14 THE COURT: Have you had any communication with the
15 Chapter 7 trustee about your claim against the debtors in this
16 case?

17 MR. ABU: Yes, sir.

18 THE COURT: And can you tell me about that; what has
19 the trustee said? Because, ordinarily, Mr. Abu, if this
20 claim -- if your claim existed at the time you filed your
21 Chapter 7 case, the claim would belong to the estate and it
22 would be ordinarily -- I'm not giving you legal advice, but it
23 would ordinarily be the trustee, the Chapter 7 trustee, who
24 would have to decide whether to go forward with the claim, or
25 the trustee in some circumstances might decide to abandon the

1 claim to you, but have you disclosed the existence of your
2 claim to the Chapter 7 trustee in your bankruptcy case?

3 MR. ABU: Yes, sir. Yes, I did.

4 THE COURT: And what did the trustee do, if anything?

5 MR. ABU: On January 29th, they said that the property
6 has no value and the case was discharged. However, I had to
7 file a motion officially for the judge to have a motion to
8 compel the trustee abandon it, and that case is scheduled on
9 December 17th for a hearing; it's coming up. So that if I can
10 have an original document from the judge so that the trustee
11 has already abandoned the property.

12 THE COURT: So, Mr. Abu, what ordinarily happens, if
13 this -- if your claim against the debtors wasn't listed on your
14 schedules in your bankruptcy case --

15 MR. ABU: It was listed.

16 THE COURT: This claim was listed in your schedules?

17 MR. ABU: Yes, sir.

18 THE COURT: Mr. Wishnew, was it listed?

19 MR. WISHNEW: It was listed in his -- in the amended
20 schedules --

21 THE COURT: Okay.

22 MR. WISHNEW: -- in his second case. And at this
23 point we've heard nothing from the trustee in the second case.

24 One way to short --

25 THE COURT: This is the second bankruptcy case?

1 MR. WISHNEW: Second bankruptcy case, the one he
2 reopened.

3 THE COURT: All right.

4 MR. WISHNEW: One suggestion, Your Honor, would be
5 that we carry this to December 11th or 17th, allow Mr. Nosek's
6 office to reach out to the Chapter 7 trustee and see if we can
7 come to a resolution or disposition of this claim.

8 THE COURT: Okay. All right. So, Mr. Abu, what I'm
9 going to have is I'm going to have the special counsel to the
10 creditors' committee reach out and talk with the Chapter 7
11 trustee and also talk with you, because, Mr. Nosek, whatever
12 the substance of the communication with the Chapter 7 trustee I
13 want communicated to Mr. Abu, as well. And if your case was
14 reopened with this claim scheduled, the Chapter 7 trustee is
15 going to have to decide whether the Chapter 7 trustee wishes to
16 proceed with the claim or how it wants to deal with it.

17 So what I'm going to do is I'm going to adjourn this
18 matter. I want to be sure, Mr. Wishnew, that Mr. Abu is given
19 plenty of notice of when it goes back on the calendar. Mr. Abu
20 can appear by telephone again.

21 Mr. Nosek, you or one of your colleagues, whoever
22 speaks with the Chapter 7 trustee, I want to be sure that you
23 also discuss it with Mr. Abu so he understands whatever
24 communication's taking place with the Chapter 7 trustee. Okay?

25 MR. NOSEK: Absolutely, Your Honor.

1 THE COURT: Thank you very much. All right, so you
2 understand what's going to happen now, Mr. Abu?

3 MR. ABU: Actually, I don't know what happen on
4 December 17th -- what happen, because what about the property
5 I've lost?

6 THE COURT: Well, here -- what's going to happen now
7 is I'm going to have one of the special counsel talk with you
8 so you understand exactly how we're going to go forward from
9 here, okay? So the matter is being adjourned for today; I'm
10 not making a decision today, Mr. Abu. Okay?

11 MR. ABU: Don't I get a notice from you to stay the
12 proceeding, so I gain the property?

13 THE COURT: I apologize, but I didn't understand what
14 you just asked.

15 MR. ABU: I don't get an order to let them know that
16 this case is still ongoing and I should --

17 THE COURT: It's still -- yeah.

18 MR. ABU: -- (indiscernible), please.

19 THE COURT: You're going to have a communication from
20 the special borrowers' counsel here, and -- who's also going to
21 speak to your Chapter 7 trustee. And you'll get notice of
22 when -- I want to be sure he gets notice of when we're going --
23 when this is going to be back on the calendar and he can
24 participate by telephone again, okay?

25 All right. Thank you very much, Mr. Abu.

1 MR. ABU: Yes, sir, Your Honor.

2 THE COURT: Okay. Mr. Wishnew.

3 MR. WISHNEW: Don't you want to take one more survey,
4 Your Honor, of participants?

5 THE COURT: Yeah. Is there anybody else present in
6 the court or on the telephone appearing --

7 MS. LAWSON: Yes, this is Michelle Lawson.

8 THE COURT: Okay, Ms. Lawson.

9 MS. LAWSON: I'm present on the telephone.

10 THE COURT: Go ahead.

11 MR. WISHNEW: Your Honor, Ms. --

12 MS. LAWSON: My case came up about an hour and a half
13 ago, and --

14 THE COURT: That's not on the fiftieth omnibus
15 objection. Ms. --

16 MS. LAWSON: -- it was stated that I was represented
17 by counsel and that Mr. Powers said if I would not appear -- I
18 was part of the other -- not the fiftieth omnibus objection;
19 prior to that.

20 THE COURT: Hang on just a second. Mr. Wishnew, tell
21 me which is --

22 MR. WISHNEW: This is on the thirty-sixth omnibus,
23 Your Honor.

24 THE COURT: Okay, let me --

25 MR. WISHNEW: I believe you took the matter under

1 advisement.

2 THE COURT: Yeah. Let me flip back, hold on.

3 Go ahead, Ms. Lawson.

4 MS. LAWSON: Good afternoon, Your Honor, and thank you
5 for the hearing me. I am Michelle Lawson and I'm representing
6 Michelle Lawson, et al., and claim number 5282. I'm asking the
7 Court to let our status as secured creditors stay.

8 According to Section 15 of the debtors' omnibus reply,
9 the debtors have reviewed their books and records. However,
10 they make no mention of the fraudulent and defective mortgage
11 application that's present as a part of this transaction.
12 Although it was not attached to the proof of claim, by their
13 own admission they are aware of its presence, and the mortgage
14 application was not (break in audio) by all parties. In fact,
15 it was only (break in audio) by one party whose assets were
16 insufficient to support such a loan and liability (break in
17 audio) 30,000 dollars.

18 Secured creditors, I believe secured creditors status
19 is imputed to us because of the fraudulent and defective
20 mortgage application and the egregious nature of the
21 transaction. A fraudulent transfer probably creates an (break
22 in audio). We are bona fide purchasers for value because we
23 have dutifully (break in audio) on the collateral (break in
24 audio) 2005. (Break in audio) omnibus reply that no other
25 debtor entity had any involvement in the loan as an originator,

1 investor or servicer. That is untrue because MLN USA (ph.) and
2 Sovereign Bank were investors and servicers on the loan (break
3 in audio). Because the debtors books (break in audio) --

4 THE COURT: Ms. Lawson, you're cutting in and out, I
5 don't know if you're on a hand -- you're not on a wired line
6 because you're cutting in and out.

7 MS. LAWSON: I'm sorry, I was on -- is this better?

8 THE COURT: Go ahead.

9 MS. LAWSON: The debtors state in Section 15 of the
10 omnibus reply that no other debtor entity had involvement with
11 the loan as an originator, investor or servicer. That is
12 untrue, because MLN USA and Sovereign Bank were investors and
13 servicers on the loan prior to 2007. Because the debtors'
14 books and records have been examined numerous times, and
15 recently in conjunction with these proceedings, it is most
16 probable that the debtors are aware of the fraudulent and
17 defective mortgage application.

18 Furthermore, in a fraudulent transfer, there is an
19 assumption that there is a transfer of some property or
20 interest. In this case, I believe it is secured creditor
21 status, and that is imputed to us through the collateral
22 located in Philadelphia, PA.

23 Moreover, we have dutifully and in good faith paid a
24 wrongfully acquired debt and honored a mortgaged note which we
25 were fraudulently induced to contract -- for which we were

1 fraudulently induced to contract.

2 Your Honor, I believe this Court has jurisdiction over
3 this matter as it relates to secured creditor status for the
4 claimant in claim number 5282, and claim 5282 should not be
5 redesignated and reclassified as unsecured. Thank you, Your
6 Honor.

7 THE COURT: All right. I took this matter under
8 submission and you don't need to respond any further, Mr.
9 Wishnew.

10 MR. WISHNEW: Thank you, Your Honor.

11 THE COURT: All right. With respect to the debtors
12 fiftieth omnibus objection, is there anyone else present in
13 court or on the telephone who wishes to respond?

14 All right. No further responses. All right, the
15 matters are under submission.

16 MR. WISHNEW: Thank you, Your Honor.

17 THE COURT: Mr. Mannal.

18 MR. MANNAL: I don't want to -- I'm Doug Mannal on
19 behalf of the creditors' committee. I didn't want to interrupt
20 Mr. Wishnew, I just want to take a moment, if we're at the end
21 of the agenda, to thank the Court for its continued efforts in
22 this case, and tireless efforts. It's going to be a very busy
23 weekend, I understand, and it's -- just wanted to thank the
24 Court.

25 THE COURT: It's been a very busy week as well.

1 MR. MANNAL: A week, yes.

2 THE COURT: Thank you. All right, we're adjourned.

3 MR. WISHNEW: I'm sorry, Your Honor, one question.

4 THE COURT: We have one more?

5 MR. WISHNEW: One administrative question.

6 THE COURT: Go ahead.

7 MR. WISHNEW: With regards to the fiftieth, may we
8 submit an order that takes out all the parties who filed
9 responses, but otherwise enter the order --

10 THE COURT: Yes, you can.

11 MR. WISHNEW: Okay.

12 THE COURT: All right, sustained as to those who
13 didn't file responses.

14 MR. WISHNEW: Thank you very much, Your Honor.
15 Appreciate your time.

16 THE COURT: All right. We're adjourned.

17 (Whereupon these proceedings were concluded at 12:50 PM)

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I N D E X

RULINGS

	Page	Line
Impac matter will have evidentiary hearing on	31	5
December 11 unless a stipulation is reached		
by November 20.		
Hudson Cook fee application, the Court	44	14
imposes a reduction of \$9,000 for lumped		
time entries.		
After confirmation of the U.S. Trustee,	45	3
counsel for Hudson Cook can submit an order		
for approval of expenses.		
The debtors' objection to the claim filed by	47	19
Sidney T. Lewis and Yvonne D. Lewis, is		
sustained		
Thirty-fourth omnibus objection sustained	80	1
Thirty-fifth omnibus objection sustained	81	9
Thirty-seventh omnibus objections, not	89	25
including Mr. Ridge's, sustained		
Thirty-eighth omnibus objections sustained as	90	16
modified		
Thirty-ninth omnibus objections sustained	90	24

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RULINGS

	Page	Line
Fortieth omnibus objection sustained	91	20
Forty-first omnibus objection sustained	92	3
Forty-third omnibus objection, Nardia Packer	94	3
sustained		
Forty-second omnibus objection sustained	94	18
Forty-fourth omnibus objections sustained	95	5
Forty-fifth omnibus objections sustained	95	13
Forty-sixth omnibus objection sustained	95	22
Forty-eighth omnibus objection sustained	97	2

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C E R T I F I C A T I O N

I, Penina Wolicki, certify that the foregoing transcript is a true and accurate record of the proceedings.

Penina Wolicki

PENINA WOLICKI

AAERT Certified Electronic Transcriber CET**D-569

eScribers

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Date: November 18, 2013